

## Appendix F

### Conservation Easement Legal Description and Preliminary Title Report



Western Scrub-jay (*Aphelocoma californica*)

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**LEGAL DESCRIPTION**

**KERN WATER BANK AUTHORITY  
2015 CONSERVATION EASEMENT PARCEL**

THAT PORTION OF LAND IN THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE COUNTY OF KERN, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE NORTH HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33; AND

THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33; AND

THE EAST 202.64 FEET OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33; AND

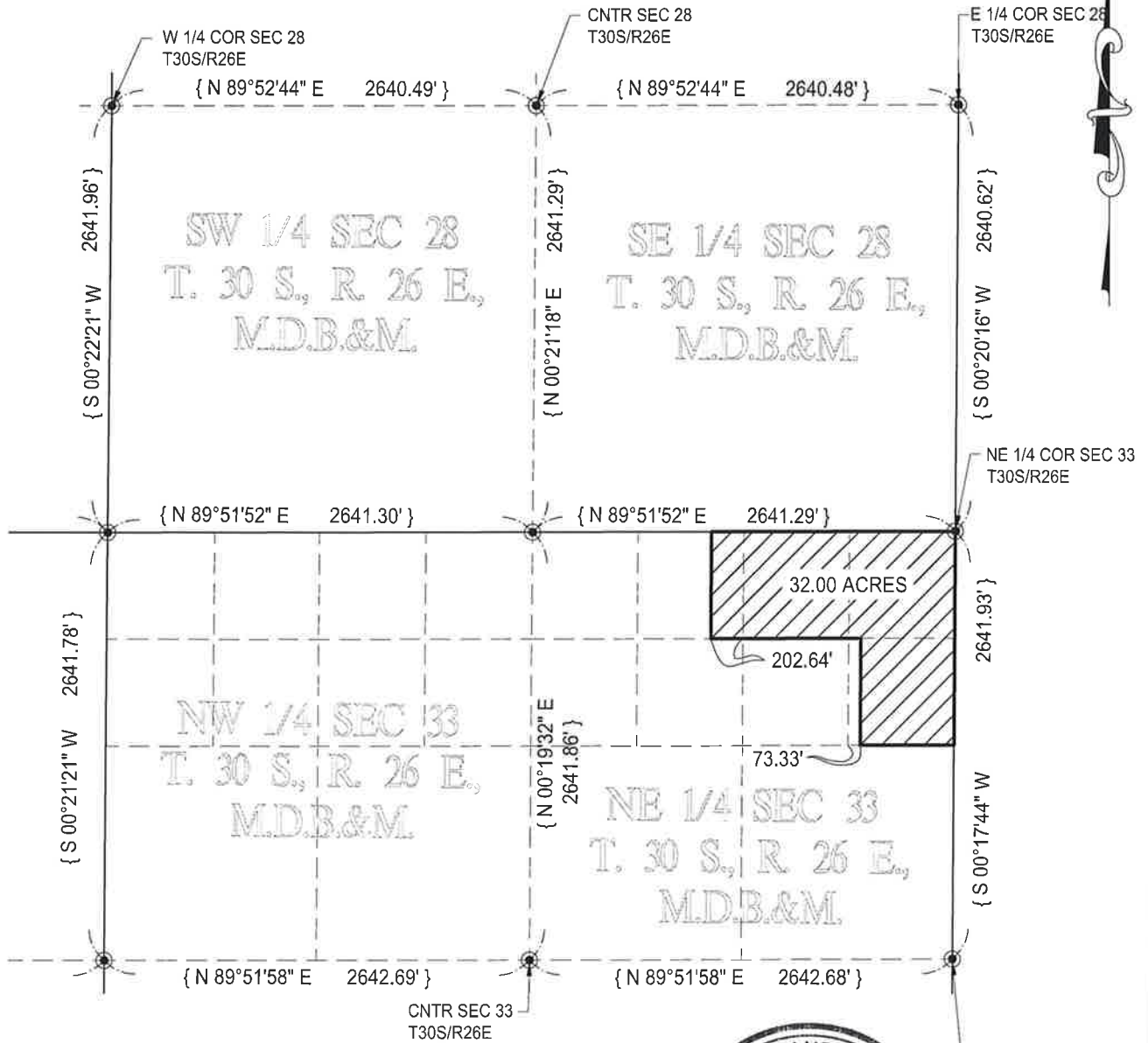
EXCEPTING THEREFROM THE WEST 73.33 FEET OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33; AND

CONTAINING 32.00 ACRES MORE OR LESS.



FEBRUARY 12, 2016

# "ILLUSTRATIVE PURPOSES ONLY"



**BASIS OF BEARING**

THE BEARING OF S 00°21'21"W FOR THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 32, T30S, R26E, MDBM AS SHOWN ON RECORD OF SURVEY, BOOK 4, PAGE 48-50 WAS USED AS THE BASIS OF BEARING FOR THIS MAP.

**LEGEND**

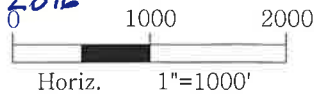
EASEMENT AREA

● 4" BRASS CAP ON IRON PIPE SET IN CONCRETE AND STAMPED ACCORDING TO GENERAL LAND OFFICE STANDARDS, MARKED R.E. 2313 PER R/S FILED IN BOOK 4, PAGES 48 - 50 ON FILE IN THE OFFICE OF THE RECORDER OF THE COUNTY OF KERN

{ } DISTANCES PER RECORD OF SURVEY AS RECORDED ON R/S FILED IN BOOK 4, PAGES 48 - 50 ON FILE IN THE OFFICE OF THE RECORDER OF THE COUNTY OF KERN



FEBRUARY 12, 2016



 4300 Ashe Road, Suite 103 Bakersfield, CA 93313 (661) 664-4806 Land (888) 260-7357 Fax	FOR:		FIGURE:	
	Kern Water Bank Authority		2015 Conservation Easement	
PROJECT NUMBER:	DRAWN BY:	CHECKED BY:	APPROVED BY:	DATE:
16-004	DGW	GOB	GOB	02/12/16

1. Preliminary Report - CA

**CLTA Preliminary Report Form**  
(Rev. 11/06)

Order Number: 1503-4654663  
Page Number: 1



*First American Title*

**First American Title Company**

**8500 Stockdale Hwy., Suite 190  
Bakersfield, CA 93311**

Jon Parker  
Kern Water Bank Authority  
1620 Mill Rock Way, Suite 500  
Bakersfield, CA 93311  
Phone: (661)398-4900  
Fax: (661)398-4959

Customer Reference: Section 33  
Order Number: 1503-4654663 (NA)

Title Officer: Nick Ashcraft  
Phone: (661)617-1471  
Fax No.: (866)225-9007  
E-Mail: nashcraft@firstam.com  
Property: Vacant Land  
CA

**PRELIMINARY REPORT**

In response to the above referenced application for a policy of title insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A attached. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.* Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

**Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.**

**It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.**

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of June 23, 2014 at 7:30 A.M.

The form of Policy of title insurance contemplated by this report is:

To Be Determined

A specific request should be made if another form or additional coverage is desired.

Title to said estate or interest at the date hereof is vested in:

KERN WATER BANK AUTHORITY

The estate or interest in the land hereinafter described or referred to covered by this Report is:

A fee.

The Land referred to herein is described as follows:

(See attached Legal Description)

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. General and special taxes and assessments for the fiscal year 2014-2015, a lien not yet due or payable.
2. General and special taxes and assessments for the fiscal year 2013-2014 are exempt.
3. Taxes and assessments, if any, of the North Kern Water Storage District.
4. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.
5. Any title or claim of interest of the United States of America, the State of California, or claimants thereunder, based upon the assertion that said land was known to be mineral in character on June 1, 1855, the date the survey thereof was approved by the Surveyor General.
6. The effect of a map purporting to show the land and other property, filed April 9, 1937 in Book 4, Page(s) 48, 49 and 50 of Record of Surveys.
7. An oil and gas lease executed by Kern County Land Company, a California corporation as lessor and Richard S. Rheem, doing business under the fictitious name of Richard S. Rheem, operator as lessee, recorded November 13, 1963 in Book 3662, Page 542 of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records.

8. Terms, provisions, covenants, restrictions and conditions contained in a document executed pursuant to the California Land Conservation Act of 1965 (Williamson Act) and recorded February 27, 1970 as Instrument No. 10922 in Book 4372, Page 684 of Official Records.

Affects: The land and other property.

9. An easement for canal and incidental purposes, recorded December 6, 1978 in Book 5159, Page 2217 of Official Records.

In Favor of: North Kern Water Storage District

Affects: As described therein

10. An unrecorded license affecting the portion of said land and for the purposes stated herein, and incidental purposes

In Favor Of: The Norwalk Company

For: Pipeline

Disclosed By: Second Amendment of Pipe Line License Agreement

Recorded: February 23, 1981 in Book 5353 Page 2351, of Official Records

Affects those portions of said land more particularly described therein.

11. Easements, Covenants and Conditions contained in the deed from Tenneco West, Inc., as Grantor, to the State of California, as Grantee, recorded August 31, 1988 as Instrument No. 025340 in Book 6158, Page 1098 of Official Records. Reference being made to the document for full particulars, but deleting any covenant, condition, or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, sexual orientation, familial status, disability, handicap, national origin, genetic information, gender, gender identity, gender expression, source of income (as defined in California Government Code § 12955(p)) or ancestry, to the extent such covenants, conditions or restrictions violation 42 U.S.C. § 3604(c) or California Government Code § 12955. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

12. A notice of assessment recorded April 17, 1996 as Instrument No. 0196049557 of Official Records, executed by the Kern Community College District.

13. An easement for state highway and incidental purposes, recorded August 9, 1996 as Instrument No. 0196101605 of Official Records.

In Favor of: The State of California

Affects: The South 30 feet of said land

14. Covenants, conditions, restrictions and easements in the document recorded August 9, 1996 as Instrument No. 0196102058 of Official Records, but deleting any covenant, condition, or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, sexual orientation, familial status, disability, handicap, national origin, genetic information, gender, gender identity, gender expression, source of income (as defined in California Government Code § 12955(p)) or ancestry, to the extent such covenants, conditions or restrictions violation 42 U.S.C. § 3604(c) or California Government Code § 12955. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

- 15. The terms and provisions contained in the document entitled Trust Agreement, executed by and between Westside Mutual Water Company, LLC, a California limited liability company and Kern Water Bank Authority, a public entity created pursuant to the Joint Exercise of Powers Act, recorded August 22, 1996, as Instrument No. 0196107584 of Official Records.
- 16. The terms and provisions contained in the document entitled "Memorandum of Transfer of Water in Storage" recorded August 26, 1996 as Instrument No. 0196108972 of Official Records.
- 17. An oil and gas lease executed by Enron Oil & Gas Company, a Delaware corporation as lessor and Sacramento Energy, Inc. as lessee, recorded May 28, 1997 as Instrument No. 0197070612 of Official Records.

The effect of a document entitled "Partial Surrender and Quitclaim of Oil, Gas and Mineral Lease", recorded December 31, 1998 as Instrument No. 0198185643 of Official Records.

The effect of a document entitled "Partial Surrender and Quitclaim of Oil, Gas and Mineral Lease", recorded July 31, 2008 as Instrument No. 0208121918 of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records.

- 18. A deed of trust to secure the performance of an agreement or other obligation, recorded November 25, 2003 as Instrument No. 0203256936 of Official Records.

Dated: November 1, 2003  
Trustor: Kern Water Bank Authority  
Trustee: American Securities Company, a corporation  
Beneficiary: Wells Fargo Bank, National Association

Affects: The land and other property.

- 19. The terms and provisions contained in the document entitled "Assignment and Pledge of Water and Water Rights" recorded March 31, 2004 as Instrument No. 0204070851 of Official Records.
- 20. An easement for public utilities and incidental purposes, recorded April 26, 2005 as Instrument No. 0205103812 of Official Records.  
In Favor of: Pacific Gas and Electric Company, a California corporation  
Affects: As described therein

The location of the easement cannot be determined from record information.

Terms and provisions contained in the above document.

- 21. An oil and gas lease executed by Vintage Production California LLC as lessor and Compass Global Resources as lessee, recorded October 11, 2006 as Instrument No. 0206252506 of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records.



Order Number: **1503-4654663**

Page Number: 5

22. The terms and provisions contained in the document entitled "Notice of Intent to Preserve Mineral Rights" recorded November 17, 2006 as Instrument No. 0206286186 of Official Records.
23. Rights of the public in and to that portion of the land lying within any Road, Street, Alley or Highway.
24. Water rights, claims or title to water, whether or not shown by the public records.
25. Rights of parties in possession.

**Prior to the issuance of any policy of title insurance, the Company will require:**

26. With respect to Kern Bank Water Authority, we will require copies of the articles of organization, bylaws, and other governing documents and any amendments thereto. Other requirements will be made following a review of such documents.

<b>INFORMATIONAL NOTES</b>
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Note: The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than the certain dollar amount set forth in any applicable arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. If you desire to review the terms of the policy, including any arbitration clause that may be included, contact the office that issued this Commitment or Report to obtain a sample of the policy jacket for the policy that is to be issued in connection with your transaction.

1. The property covered by this report is vacant land.
2. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:

None

The map attached, if any, may or may not be a survey of the land depicted hereon. First American expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

Order Number: **1503-4654663**

Page Number: 7

**LEGAL DESCRIPTION**

Real property in the unincorporated area of the County of Kern, State of California, described as follows:

ALL OF SECTION 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

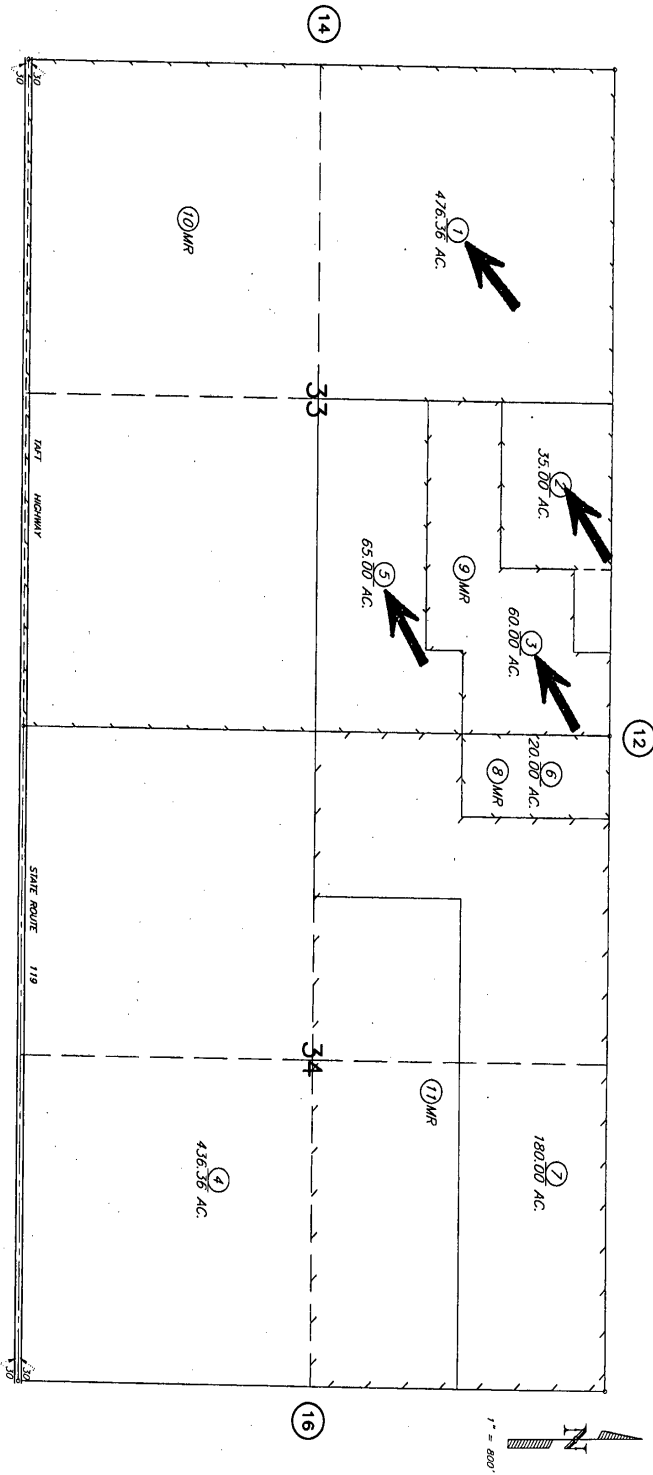
EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

APN: 524-150-01, 524-150-02, 524-150-03 and 524-150-05

524-15

T.30S. R.26E.

524-15



<b>LEGEND</b>	<b>DISCLAIMER</b>
REVISED May 28, 2002	This map is for information only. It is not a warranty of title, and does not constitute an offer of insurance coverage. The assessor's office does not warrant the accuracy of the information on this map for any purpose other than for assessment purposes.
<b>JURISDICTION</b>	
COUNTY	

BK.  
184

ASSESSORS MAP NO. 524-15  
COUNTY OF KERN

Order Number: **1503-4654663**  
Page Number: 9

***NOTICE***

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

Order Number: **1503-4654663**  
Page Number: 10

**WIRE INSTRUCTIONS**  
**for**  
**First American Title Company, Demand/Draft Sub-Escrow Deposits**  
**Kern County, California**

PAYABLE TO: First American Title Company  
BANK: **First American Trust, FSB**  
ADDRESS: 5 First American Way, Santa Ana, CA 92707  
ACCOUNT NO: 3007450000  
ROUTING NUMBER: 122241255

PLEASE REFERENCE THE FOLLOWING:

PROPERTY: Vacant Land, CA  
FILE NUMBER: 1503-4654663 (NA)  
ATTENTION: Nick Ashcraft

PLEASE USE THE ABOVE INFORMATION WHEN WIRING FUNDS TO **First American Title Company. FUNDS MUST BE WIRED FROM A BANK WITHIN THE UNITED STATES.** PLEASE NOTIFY **Nick Ashcraft** AT **(661)617-1471** OR **nashcraft@firstam.com** WHEN YOU HAVE TRANSMITTED YOUR WIRE.

IF YOUR FUNDS ARE BEING WIRED FROM A NON-U.S. BANK, ADDITIONAL CHARGES MAY APPLY. PLEASE CONTACT YOUR ESCROW OFFICER/CLOSER FOR INTERNATIONAL WIRING INSTRUCTIONS.

PLEASE NOTE THAT AN ACH TRANSFER IS NOT THE SAME AS A WIRE, REQUIRES ADDITIONAL TIME FOR CLEARANCE AND MAY DELAY CLOSING.

**FIRST AMERICAN TRUST CONTACT INFO:** Banking Services 1-877-600-9473

**ALL WIRES WILL BE RETURNED IF THE FILE NUMBER  
AND/OR PROPERTY REFERENCE ARE NOT INCLUDED**

**EXHIBIT A  
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (BY POLICY TYPE)**

**CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)  
EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
  - (a) building;
  - (b) zoning;
  - (c) land use;
  - (d) improvements on the Land;
  - (e) land division; and
  - (f) environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
  - (a) that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
  - (b) that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
  - (c) that result in no loss to You; or
  - (d) that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
  - (a) to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - (b) in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

**LIMITATIONS ON COVERED RISKS**

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows: For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

<u><b>Your Deductible Amount</b></u>	<u><b>Our Maximum Dollar Limit of Liability</b></u>
Covered Risk 16: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

**ALTA RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)  
EXCLUSIONS**

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - (a) and use
  - (b) improvements on the land
  - (c) and division
  - (d) environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.  
This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:

- (a) a notice of exercising the right appears in the public records on the Policy Date
  - (b) the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
  - 3. Title Risks:
    - (a) that are created, allowed, or agreed to by you
    - (b) that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
    - (c) that result in no loss to you
    - (d) that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
  - 4. Failure to pay value for your title.
  - 5. Lack of a right:
    - (a) to any land outside the area specifically described and referred to in Item 3 of Schedule A OR
    - (b) in streets, alleys, or waterways that touch your land
- This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

**2006 ALTA LOAN POLICY (06-17-06)**  
**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
  - (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an



inspection of the Land or that may be asserted by persons in possession of the Land.

3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**2006 ALTA OWNER'S POLICY (06-17-06)**

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.  
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 or 10); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)**  
**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.  
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.



*First American Title*

**Privacy Information**

**We Are Committed to Safeguarding Customer Information**

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

**Applicability**

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

**Types of Information**

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

**Use of Information**

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

**Former Customers**

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

**Confidentiality and Security**

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**Information Obtained Through Our Web Site**

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet. In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site. There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

**Business Relationships**

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

**Cookies**

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive. [FirstAm.com](http://FirstAm.com) uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

**Fair Information Values**

**Fairness** We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

**Public Record** We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

**Use** We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

**Accuracy** We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

**Education** We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

**Security** We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

2. Exhibit A

**Exhibit "A"**

**Legal Description**

A.P.N.: 524-150-01 & 02 and 524-150-03 & 05 and 524-150-03-00-2 and 524-150-01-00-6

Real property in the unincorporated area of the County of Kern, State of California, described as follows:

ALL OF SECTION 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

4/48

# RECORD OF SURVEY

SHEET 1 OF 3 SHEETS

Being a survey of portion of T.30.S., R.25.E. and T.30.S., R.26.E. M.D.B.&M. for the purpose of locating the boundaries of the properties described in three memoranda or leases dated, Nov. 25, 1935, Nov. 27, 1935 and Oct. 31, 1936 recorded in three memoranda Book 609 at page 196, Book 609 at page 198 and Book 689 at page 455, all Official Records in the office of the County Recorder of Kern County, California.

Basis of bearings obtained from a triangulation survey based on the geodetic positions and azimuths of the U.S.G.S. primary stations, Round Mountain and Tampa.

Monuments shown as (M.C.L.) were established by the surveys of the Kern County Land Company.

● - Indicates a brass cap on iron pipe set in concrete and stamped according to Government Land Office standards. Marked R.L. 2512.

Filed in the office of the County Recorder of the County of Kern State of California, this 7th day of April, 1937, at the request of I. Fred Peterson, R.L. 2512. Filed in Book ... of page ... Record of Surveys, Kern County, California.

*I. Fred Peterson*  
County Recorder of Kern County, State of California.

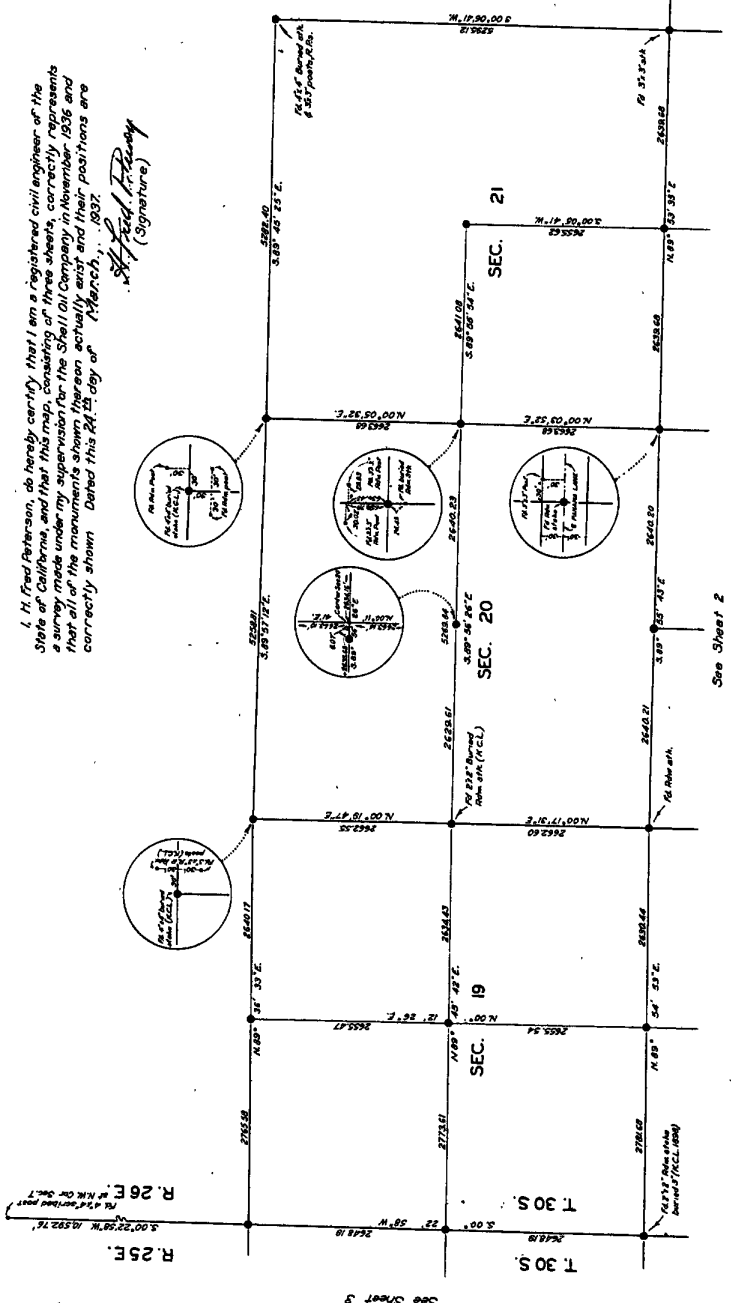
Examined and transmitted to the County Recorder this 6th day of April, 1937.

*J. R. [Signature]*  
County Surveyor of Kern County, State of California.

I, I. Fred Peterson, do hereby certify that I am a registered civil engineer of the State of California, and that this map, consisting of three sheets, correctly represents a survey made under my supervision for the Shell Oil Company in November 1936 and that all of the monuments shown thereon actually exist and their positions are correctly shown. Dated this 24th day of March, 1937.

*I. Fred Peterson*  
(Signature)

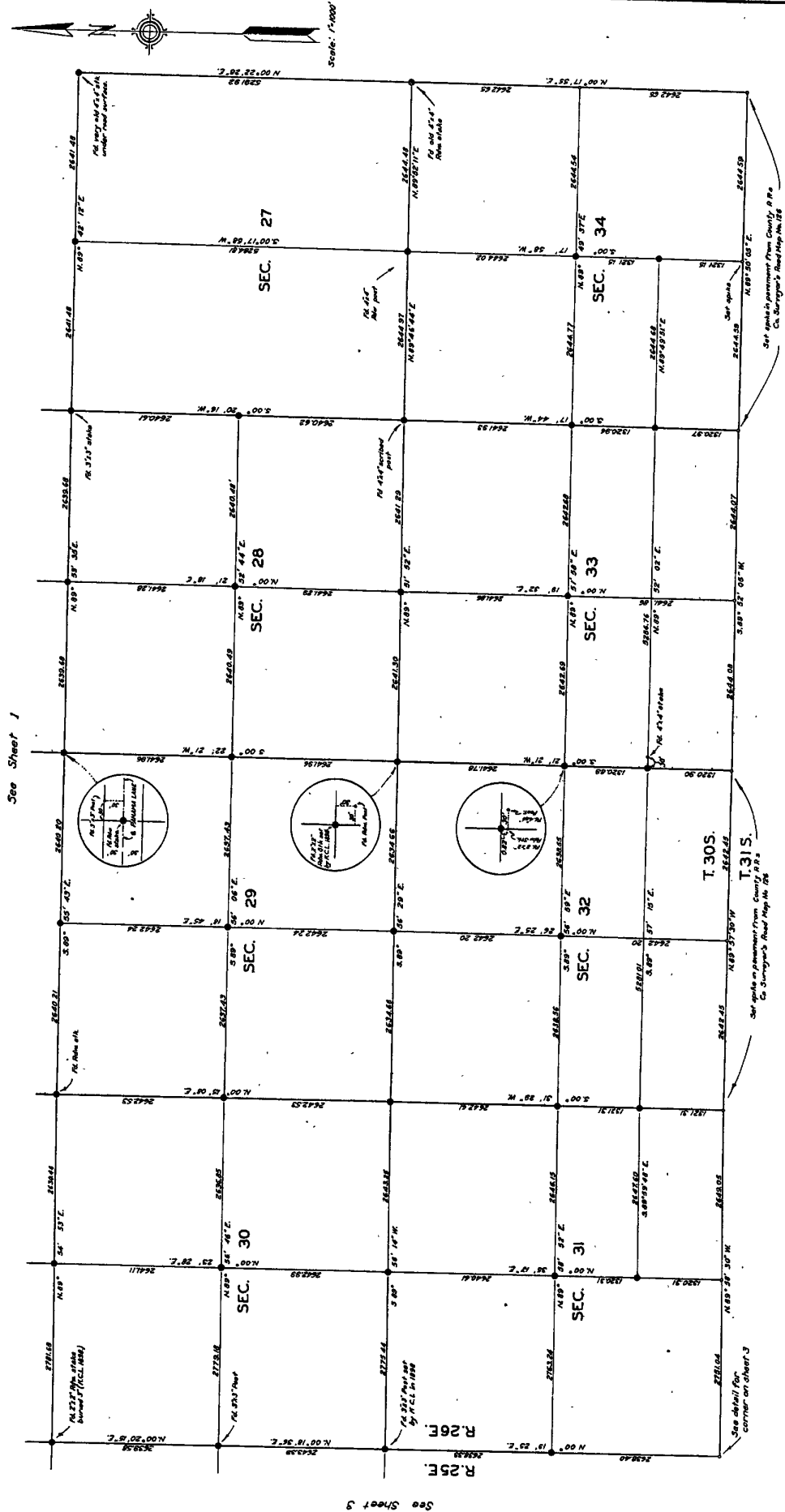
R. 25 E.  
T. 30 S.  
See Sheet 5



See Sheet 2

RECORD OF SURVEY  
SHEET 2 OF 3 SHEETS

See Sheet 1





4. Exception\_07\_3662\_542

RECORDING REQUESTED BY

*Richard S. Rheem, Operator*

70986

ORIGINAL  
BOOK 3662 PAGE 542

WHEN RECORDED MAIL TO

*Richard S. Rheem, Op.  
1831 Truettan Ave.  
Bakersfield, Calif.*

*Memorandum of*

**OIL AND GAS LEASE OG-...510...**

KERN COUNTY LAND COMPANY,  
Owner,

and

**RICHARD S. RHEEM, doing business  
under the fictitious name of Richard S. Rheem, Operator**  
Lessee.

Dated: *November 1, 1963*

*Note to the County Recorder:*

Please index this instrument  
under Oil and Gas Leases  
as well as under  
Memoranda of Leases.

RECORDED IN OFFICIAL RECORDS  
OF KERN COUNTY, CALIFORNIA  
NOV 13 1963  
30 Fee  
Min. Past  
2 P.M. 6.00  
RAY A. VERGAMMEN, County Recorder



**Memorandum of  
OIL AND GAS LEASE OG-510**

THIS MEMORANDUM OF LEASE, dated *November 11, 1963*,  
between KERN COUNTY LAND COMPANY, a California corporation, hereinafter called  
"Owner", and **RICHARD S. RHEEM, doing business under the fictitious  
name of Richard S. Rheem, Operator,**

hereinafter called "Lessee" (whether one or more),

**WITNESSETH THAT:**

Owner hereby leases to Lessee and Lessee hereby leases from Owner, for the purpose of  
exploring and drilling for and producing hydrocarbons, all those lands situated in Kern County,  
California, particularly described in Exhibit A attached hereto, and hereby made a part hereof.

This lease is made upon and is subject to each and all of the terms, provisions, covenants  
and conditions set forth in that certain Oil and Gas Lease of even date herewith between the  
parties hereto covering the lands hereinabove described, and said Oil and Gas Lease is hereby  
incorporated herein with the same force and effect as though herein set forth at length.

Upon the termination of said lease, either in whole or in part and whether by surrender or  
otherwise, Lessee agrees to deliver to Owner a quitclaim deed covering all rights of Lessee in  
and to the lands as to which said lease shall so terminate, and the parties agree that the effect  
of any such quitclaim deed shall be to terminate all rights of Lessee under said lease in and to  
such lands, including, without limiting the generality of the foregoing, all easements, servi-  
tudes and rights of way in, upon, over or across such lands, the right to remove equipment  
therefrom, and all other rights of any and every kind in and to such lands under or pursuant  
to said lease, excepting only rights expressly reserved in such quitclaim deed.

IN WITNESS WHEREOF, the parties have executed this instrument *in duplicate* the day and  
year first above written.

KERN COUNTY LAND COMPANY

By *[Signature]*  
EXECUTIVE VICE PRESIDENT

(Corporate Seal)

and by *[Signature]*  
ASSISTANT SECRETARY  
Owner

*[Signature]*  
**Richard S. Rheem, doing business  
under the fictitious name of  
Richard S. Rheem, Operator**

Lessee

State of California  
City and County of San Francisco-- ss.

On this *1<sup>st</sup>* day of *Nov.*, 19*63*, before me, NORA C. BANUET,  
a Notary Public in and for the City and County of San Francisco, State of California, residing  
therein, duly commissioned and sworn, personally appeared HERBERT L. REID  
known to me to be the ~~EXECUTIVE VICE~~ President, and JAMES A. WALKER, known to  
me to be the ~~ASSISTANT~~ Secretary, of KERN COUNTY LAND COMPANY, the corporation that  
executed the within instrument and known to me to be the persons who executed the within  
instrument on behalf of the corporation therein named, and acknowledged to me that such  
corporation executed the within instrument pursuant to its by-laws or a resolution of its Board  
of Directors.

In WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office  
in said City and County and State the day and year in this certificate first above written.

*Nora C. Banuet*

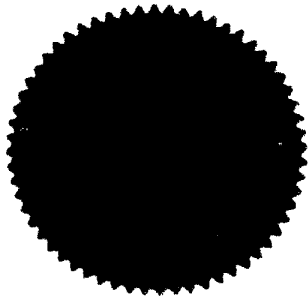
NORA C. BANUET

Notary Public in and for the City and  
County of San Francisco,  
State of California.

My Commission Expires: *May 28, 1967*

(Notarial Seal)

State of California  
County of CONTRA COSTA



On This *7<sup>th</sup>* day of *November*, 19*63*, before me RAYMOND JOHN SCHREIBER  
Notary Public in and for the County of CONTRA COSTA, State of California, residing  
therein, duly commissioned and sworn, personally appeared RICHARD S. RHEEM

known to me to be the person or persons named in and whose name is subscribed  
to the within instrument

In Witness Whereof, I have hereunto set my hand and affixed my Official Seal the day and  
year in this certificate first above written

GENERAL ACKNOWLEDGMENT

RAYMOND JOHN SCHREIBER  
My Commission Expires Aug 24, 1964

*Raymond John Schreiber* NOTARY PUBLIC  
In and for said County of CONTRA COSTA State of California

3662 545

EXHIBIT A

Attached to and Made a Part of Oil and Gas Lease OG-510  
Between Kern County Land Company and Richard S. Rheem

LAND DESCRIPTION

Those portions of Sections Twenty-six (26), Twenty-seven (27), Thirty-three (33), Thirty-four (34), and Thirty-five (35), Township Thirty (30) South, Range Twenty-six (26) East, Mount Diablo Meridian, situated in Kern County, California, comprising Parcels One to Three inclusive, particularly described as follows:

PARCEL ONE - FEE

The Northeast Quarter of the Southwest Quarter (NE/4 of SW/4), the Southwest Quarter of the Southwest Quarter (SW/4 of SW/4), the East Half of the Southeast Quarter (E/2 of SE/4), the East Half of the West Half of the Southeast Quarter (E/2 of W/2 of SE/4), the Southwest Quarter of the Southwest Quarter of the Southeast Quarter (SW/4 of SW/4 of SE/4), the South Half of the Northwest Quarter of the Southwest Quarter of the Southeast Quarter (S/2 of NW/4 of SW/4 of SE/4) and the North Half of the Northwest Quarter of the Northwest Quarter of the Southeast Quarter (N/2 of NW/4 of NW/4 of SE/4) of said Section Twenty-seven (27); the Northeast Quarter (NE/4) of said Section Thirty-three (33); the Northeast Quarter (NE/4), the South Half of the Northwest Quarter (S/2 of NW/4), the Northeast Quarter of the Northwest Quarter (NE/4 of NW/4) and the East Half of the Northwest Quarter of the Northwest Quarter (E/2 of NW/4 of NW/4) of said Section Thirty-four (34), as said sections are shown on that certain retracement survey map entitled "Record of Survey Map, being a survey of portion of Township 30 South, Range 25 East and Township 30 South, Range 26 East, M.D.B. & M.", filed April 9, 1937, in the office of the County Recorder of said Kern County in Book 4 of Record of Surveys at page 48.

The Southwest Quarter of the Southwest Quarter (SW/4 of SW/4) and the West Half of the Northwest Quarter of the Southwest Quarter (W/2 of NW/4 of SW/4) of said Section Twenty-six (26); and the Northwest Quarter of the Northwest Quarter (NW/4 of NW/4) of said Section Thirty-five (35).

PARCEL TWO - FEE - Above 7,800' and Below 8,220'  
(Standard Leasehold OG-78)

The South Half of the Northwest Quarter of the Northwest Quarter of the Southeast Quarter (S/2 of NW/4 of NW/4 of SE/4), the Southwest Quarter of the Northwest Quarter of the Southeast Quarter (SW/4 of NW/4 of SE/4) and the North Half of the Northwest Quarter of the Southwest Quarter of the Southeast Quarter (N/2 of NW/4 of SW/4 of SE/4) of said Section Twenty-seven (27), as said section is shown on that certain retracement survey map entitled "Record of Survey Map, being a survey of portion of Township 30 South, Range 25 East, and Township 30 South, Range 26 East, M.D.B. & M.", filed April 9, 1937, in the office of the County Recorder of said Kern County in Book 4 of Record of Surveys at page 48.

PARCEL THREE - FEE - Above 8,075' and Below 8,410'  
(E. A. Bender Leasehold OG-389)

The Southeast Quarter of the Southwest Quarter (SE/4 of SW/4) of said Section Twenty-seven (27), as said section is shown on that certain retracement survey map entitled "Record of Survey Map, being a survey of portion of Township 30 South, Range 25 East, and Township 30 South, Range 26 East, M.D.B. & M.", filed April 9, 1937, in the office of the County Recorder of said Kern County in Book 4 of Record of Surveys at page 48.

Containing in the aggregate 836.92 acres, more or less.

EXCEPTING AND RESERVING to Owner the sole and exclusive right to produce hydrocarbons from depths of more than nine thousand ~~seven~~ hundred (9,700) feet below the surface of the ground. <sup>five</sup> (9,500)

*ju*  
*N.C.B.*  
*M.K.*

EXCEPTING ALSO AND RESERVING to Owner the sole and exclusive right to produce hydrocarbons insofar as Parcel Two is concerned from depths of between seven thousand eight hundred (7,800) feet below the surface of the ground and eight thousand two hundred (8,200) feet below the surface of the ground, subject to the rights of the Lessee under that certain oil and gas lease dated September 1, 1937, from Owner to Standard Oil Company of California, a Delaware corporation, commonly known as Canfield Ranch Oil and Gas Lease No. 15 OG-78, a memorandum of which lease was recorded in the office of the County Recorder of Kern County on September 13, 1937, in Book 743 of Official Records at page 188, which lease stands modified by a Termination Agreement dated June 5, 1958, and recorded in said office on July 10, 1958, in Book 2977 of Official Records at page 314, and by a Termination Agreement dated October 10, 1958, and recorded in said office on October 30, 1958, in Book 3029 of Official Records at page 187.

3662 547

EXCEPTING ALSO AND RESERVING to Owner the sole and exclusive right to produce hydrocarbons insofar as Parcel Three is concerned from depths of between eight thousand seventy-five (8,075) feet below the surface of the ground and eight thousand four hundred ten (8,410) feet below the surface of the ground, subject to the rights of the Lessee under that certain oil and gas lease dated January 10, 1958, from Owner to E. A. Bender, Operator-Canfield, commonly known as Canfield Oil and Gas Lease OG-389, a memorandum of which lease was recorded in the office of the County Recorder of Kern County on January 15, 1958, in Book 2894 of Official Records at page 419, which lease stands modified by a Termination Agreement dated September 30, 1959, and recorded in said office on October 30, 1959, in Book 3208 at page 754.

SUBJECT to all leases or agreement now outstanding for use of the above-described lands, or any portion thereof, for agricultural, grazing or other purposes, whether recorded or not.

SUBJECT ALSO to all existing easement, servitudes, licenses and rights of way for canals, ditches, levees, roads, highways, telegraph, telephone and electric power lines, railroads, pipe lines and other purposes, whether recorded or not.

SUBJECT ALSO to the construction, reconstruction, extension, enlargement, maintenance and operation of all dams, levees, embankments, ditches, canals, reservoirs and all other works or structures now or hereafter constructed for irrigation or flood control purposes, including (without limiting the generality of the foregoing) all works now or hereafter constructed to control or divert the waters of the Kern River.

SUBJECT ALSO to the provisions of the agreement between Henry Miller and others and James B. Haggin and others dated July 28, 1888, and recorded in the office of the County Recorder of Kern County in Book 2 of Agreements at page 40, and all amendments and supplements thereof and thereto, whether recorded or not.

70986

BOOK 4372 PAGE 684

FEB-27-70 10922 • 2332 • D 18 FBk 2 1320

Recorded By RAY A. VERCAMMEN, Kern Co. Recorder

RECORDED AT REQUEST OF:  
AND RETURN TO:  
CLERK OF THE BOARD  
CIVIC CENTER - ROOM 600  
BAKERSFIELD, CALIF. - 93301

LAND USE CONTRACT

(California Land Conservation Act of 1965,  
and Open-Space Land Valuation Law of 1967.)

THIS CONTRACT, entered into this 17<sup>th</sup> day of February  
19 70 by and between the COUNTY OF KERN, a political subdivision of  
the State of California, herein referred to as "COUNTY," and  
Kern County Land Company, a Delaware corporation  
hereinafter referred to as "OWNER,"

W I T N E S S E T H :

13<sup>20</sup>

(a) WHEREAS, Owner is the owner of certain real property  
situate in the County of Kern, State of California, which is devoted  
to agricultural use and is located within an area which has been  
designated by the County as an agricultural preserve, and a description  
of said land, together with a reference to the map showing the location  
of said agricultural preserve, is set forth in Exhibit "A" attached  
hereto and incorporated herein by reference; and

(b) WHEREAS, both Owner and County desire to limit the use  
of such land for the purposes of preserving it pursuant and subject  
to the conditions set forth in this Contract and in the California  
Land Conservation Act of 1965, as amended, in order to preserve a  
maximum amount of the limited supply of agricultural land and to there-  
by conserve the State's economic resources, to maintain the agricultural  
economy of the State, and to assure an adequate, healthful and nutri-  
tious food for future residents of this State and nation; and

(c) WHEREAS, the Owner desires to have the benefits of Article  
XXVIII of the California Constitution and of Sections 421 through 429,  
inclusive, of the Revenue and Taxation Code and other provisions of  
law relating to the valuation and assessment of open-space land subject  
to enforceable restrictions, as are now or may be from time to time  
in effect;

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants and conditions set forth herein and the substantial public benefits to be derived therefrom, do hereby agree as follows:

1. TERM OF CONTRACT; AUTOMATIC EXTENSION; NOTICE OF INTENT NOT TO RENEW:

(a) This Contract shall be effective as of the 28th day of February next succeeding the date of this Contract, to wit, the date which is first mentioned herein, and shall remain in effect for an initial term of ten (10) years from and including such date and during renewals of this Contract.

(b) Each 28th day of February of each year during which this Contract shall be in effect shall be deemed to be the annual renewal date of this Contract, as mentioned in Sections 51244 and 51245 of the Act. On said annual renewal date a year shall be added automatically to the initial term aforementioned, and the term of this Contract shall be thereby renewed and extended, unless notice of nonrenewal has been given as provided in Section 51245 of the Act.

(c) If the County or Owner gives notice of intent in any year not to renew this Contract, the Contract shall remain in effect for the balance of the term or extended term remaining since the original execution or the last renewal of the Contract, as the case may be.

2. CONTRACT MADE PURSUANT TO LAND CONSERVATION ACT:

This Contract is made and entered into pursuant to the California Land Conservation Act of 1965 (Chapter 7 of Part 1 of Division 1 of Title 5 of the California Government Code commencing with Section 51200) sometimes referred to herein as the "Land Conservation Act" or "Act," and is subject to all of the provisions thereof.

BOOK 4372 PAGE 686

3. ENFORCEABLE RESTRICTION:

(a) It is mutually agreed that this Contract is and shall be an enforceable restriction within the meaning and for the purposes of Article XXVIII of the Constitution of the State of California, said Land Conservation Act, and said Sections 421 through 429, inclusive, of the Revenue and Taxation Code as are now or may be from time to time in effect; and it is contemplated that this Contract shall be enforced and administered by the County in such a manner as to accomplish the purposes of said Article of the California Constitution and the aforementioned statutes.

(b) It is mutually understood that the County may bring any action in court necessary to enforce this Contract, including, but not limited to, an action to enforce this Contract by specific performance or injunction.

4. CONTRACT MADE IN CONFORMITY WITH UNIFORM RULES ADOPTED BY COUNTY:

(a) This Contract is also made and entered into pursuant to the provisions of the Uniform Rules adopted by the Board of Supervisors of the County governing the administration of agricultural preserves, including but not confined to the land use restrictions and enumeration and definition of compatible uses therein contained.

(b) It is expressly understood and agreed that during the term of this Contract or any renewals thereof the Board of Supervisors of the County may add to those agricultural and compatible uses specified in the Resolution or Resolutions prescribing Uniform Rules governing the administration of the agricultural preserve within which the land described in this Contract is located or may otherwise modify said Uniform Rules, provided, however, that the subsequent elimination or reduction in scope of a compatible use which is so enumerated or defined, or the subsequent imposition of any land use restriction which



is not set forth, in said Uniform Rules as of the date of this Contract, shall not be deemed to effect the land described in this Contract unless and except with the written consent of the Owner.

(c) The Uniform Rules which are applicable to the agricultural preserve in which the land herein described is situated are incorporated herein by reference, including those Uniform Rules as are in effect at the date of this Contract and, subject to the limitations aforementioned in this Article, those amendments or additions thereto which may be subsequently adopted from time to time.

5. EXCLUSION OF USES OTHER THAN AGRICULTURAL AND COMPATIBLE USES:

(a) During the term of this Contract or any renewals thereof the herein described land shall not be used for any purpose other than agricultural uses and those uses compatible with agricultural uses.

(b) As used in this Contract, the following terms shall have these respective meanings:

(1) "Agricultural uses" shall mean the use of land for the purpose of producing an agricultural commodity for commercial purposes.

(2) "Agricultural commodity" shall mean any and all plant and animal products produced in this state for commercial purposes.

(3) "Compatible uses" shall mean those uses enumerated in the Uniform Rules, or as determined by the Land Conservation Act.

(4) "Uniform Rules" shall mean the Uniform Rules adopted by the Board of Supervisors of the County governing the administration of agricultural preserves, as more fully described in Article 3 hereinabove.

6. LIMITATION ON STRUCTURES:

During the term of this Contract or any renewals thereof no structure shall be erected upon said land except such structures as may be directly related to agricultural uses and those uses compatible with agricultural uses.

7. EFFECT ON PLANNING AND ZONING POWERS:

It is mutually understood and agreed that neither the provisions of this Contract nor of any Uniform Rule adopted by the Board of Supervisors of the County shall in any manner effect, limit or supersede the planning and zoning powers of the County.

8. CONTRACT RUNS WITH LAND; EFFECT OF DIVISION OF LAND:

(a) All provisions of this Contract shall run with the land described herein.

(b) This Contract shall be binding upon, and inure to the benefit of, all successors in interest of the owner.

(c) Whenever land under this Contract is divided, the Owner of any parcel of such divided land may exercise, independent of any other Owner of any other portion of such divided land, any of the rights of the Owner in the original Contract, including the right to give notice of nonrenewal and to petition for cancellation. The effect of any such action by the Owner of a parcel created by such division of land under this Contract shall not be imputed to the Owners of the remaining parcels and shall have no effect on the Contract as it applies to the remaining parcels of the divided land.

9. ANNEXATION TO CITY:

In event of annexation by a city of any land under this Contract, such city shall succeed to all rights, duties and powers of the County under this Contract, except as otherwise provided in the Land Conservation Act.

BOOK 4372 PAGE 689

10. OWNER TO FURNISH INFORMATION:

(a) Owner agrees to furnish the County with such information as the County shall require in order to enable it to determine the continuing eligibility of the land herein described with respect to the terms of the Act, the provisions of this Contract, and under the Uniform Rules relating to the preserve in which said land is situated, from time to time when requested by the County.

(b) Owner agrees that a copy of this Contract may be recorded by the County, and agrees to properly acknowledge all signatures required of Owner herein for such purpose.

11. WAIVER OF PAYMENTS:

Owner hereby waives any obligation of County to make any payments to Owner under this Contract and Owner shall not receive any payment from County in consideration of the obligations imposed hereunder, it being recognized and agreed that the consideration for the execution of the within Contract is the substantial public benefit to be derived therefrom and the advantage which will accrue to Owner as a result of the effect on the method of determining the assessed value of land described herein and any reduction therein due to the imposition of the limitations on its use contained in this Contract.

12. CANCELLATION:

This Contract may only be cancelled in accordance with the provisions of Sections 51280-51285 of the Act.

13. EFFECT OF REMOVAL OF LAND FROM AGRICULTURAL PRESERVE:

It is agreed that removal of any land under this Contract from an agricultural preserve shall be equivalent of notice of non-renewal by the County, for the purposes of Section 426 of the Revenue and Taxation Code, as now in effect or as it may from time to time be amended, and applicable provisions of the Land Conservation Act.

14. EFFECT OF EMINENT DOMAIN OR OTHER ACQUISITION OF LAND:

(a) When any action in eminent domain for the condemnation of the fee title of the entire parcel of land herein described is filed, or when such land is acquired in lieu of eminent domain for a public improvement by a public agency or person or whenever there is any such action or acquisition by the federal government or any person, instrumentality or agency acting under authority or power of the federal government, this Contract shall be deemed null and void as to the land actually being condemned or so acquired as of the date the action is filed, and upon the termination of such a proceeding, this Contract shall be null and void for all land actually taken or acquired.

(b) When such an action to condemn or acquire less than all the entire parcel land herein described is commenced, this Contract shall be deemed null and void as to the land actually so condemned or acquired.

(c) The land actually taken by the means aforementioned in this Article shall be removed from this Contract. Under no circumstances shall land be removed from this Contract that is not actually taken by the means aforementioned, except as otherwise provided in the Land Conservation Act, as now in effect or as it may from time to time be amended.

15. INCORPORATION OF PROVISIONS OF ACT BY REFERENCE; SUBSEQUENT AMENDMENTS:

(a) The provisions of the Land Conservation Act, including any amendments enacted on or before the date of this Contract, are incorporated herein and made a part of this Contract by reference, and all of the provisions of this Contract shall be subordinate thereto and construed harmoniously therewith.

BOOK 4372 PAGE 691

(b) Any provision contained in any amendments to the Land Conservation Act enacted from time to time subsequent to the date of this Contract and which is procedural or remedial in effect shall also be deemed incorporated herein and made a part of this Contract by reference.

(c) Any provision contained in any amendments to the Land Conservation Act enacted from time to time subsequent to the date of this Contract which has the effect of altering a substantive right or obligation of the Contract shall not be deemed incorporated herein, unless with the mutual consent of the parties hereto or unless otherwise provided in this Contract. Such substantive right or obligation shall include, but is not limited to, the following: increasing or decreasing the term of the Contract; eliminating or altering the right to or grounds for nonrenewal or cancellation of the Contract; or eliminating, adding, or modifying any land use restriction or compatible use of land.

(d) Any provision of any amendments to the Land Conservation Act enacted from time to time subsequent to the date of this Contract which is incorporated by reference herein as provided in this Article shall be substituted in place of any corresponding provision of this Contract and all other provisions of this Contract shall be construed harmoniously therewith.

(e) In event any sections of the Land Conservation Act referred to herein are renumbered, any references to sections herein shall be deemed renumbered accordingly.

16. AMENDMENT BY MUTUAL AGREEMENT:

This Contract may be amended at any time and from time to time by mutual agreement in writing of the parties hereto endorsed hereon or attached hereto, subject to any express provisions to the contrary contained in this Contract or in the Land Conservation Act.

17. NOTICES, MANNER OF GIVING:

(a) Notices to be given to Owner pursuant to this Contract, or as may otherwise be required by law in connection with the administration of this Contract, may be sent by first-class United States Mail addressed to Owner at the address shown below Owner's signature hereinbelow, and the Owner expressly waives any other method of giving notice to him.

(b) Notices to be given to County pursuant to this Contract may be sent by first-class United States Mail addressed to Board of Supervisors, County of Kern, Kern County Courts and Administration Building, 1415 Truxtun Avenue, Bakersfield, California.

(c) Such notices may also be given by one party to the other by personal service.

(d) By the means mentioned in this Article a party may give to the other notice of a new address, after which notices to be given to such party shall be sent by the means indicated in this Article to such party at such new address.

IN WITNESS WHEREOF, the parties hereto have executed the within Contract the day and year first above written.

COUNTY OF KERN

By [Signature]  
Vice Chairman, Board of Supervisors

ATTEST:

Vera K. Gibson, County Clerk and ex-Officio Clerk of the Board of Supervisors

By [Signature]  
Deputy

OWNER KERN COUNTY LAND COMPANY

[Signature]  
Stanley Ward, President

[Signature]  
Leon J. McDonough, Assistant Secretary

Address: P. O. Box 380  
Bakersfield, California 93302



ACKNOWLEDGMENTS

County of Kern

STATE OF CALIFORNIA )  
COUNTY OF KERN ) ss

On this 27<sup>th</sup> day of February, in the year 1970,  
before me, [Signature], Deputy Clerk, Board of  
Supervisors of the County of Kern, personally appeared  
JOHN HOLT, known to me to be the Chairman of the Board  
of Supervisors of the County of Kern, and known to me to be the person  
who executed the within instrument on behalf of said County, and ac-  
knowledged to me that such County executed the same.

WITNESS my hand and Official Seal of the Kern County Board of  
Supervisors.

VERA K. GIBSON  
Clerk, Board of Supervisors

By [Signature]  
Deputy Clerk

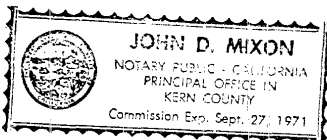
Owner(s)

STATE OF California )  
COUNTY OF Kern ) ss.

On this 17<sup>th</sup> day of February, 1970, before me, John D. Mixon,  
a Notary Public in and for said County and State, personally appeared  
Stanley Ward and Leon J. McDonough  
known to me to be the President and Assistant Secretary, respectively, of  
Kern County Land Company

the corporation that executed the within instrument, and known to me to be the  
persons who executed the within instrument on behalf of the corporation therein  
named, and acknowledged to me that such corporation executed the within  
instrument pursuant to its by-laws or a resolution of its board of directors.

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



[Signature]  
Notary Public in and for said County  
and State

BOOK 4372 PAGE 694

EXHIBIT "A"

DESCRIPTION OF LAND SUBJECT TO CONTRACT,  
AND IDENTIFICATION OF PRESERVE

The land herein described is situated in Preserve No. Ten (10) 43 the location of  
which is shown by map adopted by the Board of Supervisors of Kern County by Resolution No.

69-580 on 9/8/69  
69-573 4/8/69

The real property which is subject to the foregoing Contract is in the County of Kern,  
State of California, is approximately \_\_\_\_\_ acres, bears Assessor's Parcel Number(s)  
\_\_\_\_\_, and is more particularly  
described as follows:

SEE ATTACHED



EXHIBIT A  
 KERN COUNTY LAND COMPANY  
 Agricultural Preserve #10

Sec.	Twp.	Rge.	Description	Acres
			Those certain lands in Townships Thirty (30) and Thirty-One (31) South, Ranges Twenty-Four (24), Twenty-Five (25), Twenty-Six (26), and Twenty-Seven (27) East, Mount Diablo Base and Meridian, Kern County, California	
12	30	24	A11 159-010-02	640.00
13	30	24	A11; excepting therefrom the Southwest Quarter of Southwest Quarter (SW/4 SW/4) 159-180-03	600.00
24	30	24	Northeast Quarter (NE/4); Northeast Quarter of Southeast Quarter (NE/4 SE/4); and East Half of Northwest Quarter (E/2 NW/4); excepting therefrom that portion described in deed recorded in Book 458 at Page 481, KCOR 159-180-04	254.63
1	30	25	South Half (S/2) 160-010-10 (Por); 160-010-11 (Por); 160-010-12; 160-010-13; 160-010-14	320.00
12	30	25	North Half (N/2); Southeast Quarter (SE/4); and North Half of Southwest Quarter (N/2 SW/4) 160-060-04; 160-060-06; 160-060-07; 160-060-09; 160-060-15; 160-060-18; 160-060-19; 160-060-17; 160-060-20; 160-060-21	560.00
13	30	25	A11 160-070-06; 160-070-07; 160-070-08; 160-070-14; 160-070-17	640.00
14	30	25	A11, excepting therefrom portion described in deed recorded in Book 3522 at Page 348, KCOR 160-070-02; 160-070-03; 160-070-04; 160-070-10; 160-070-11	636.33

BOOK 4372 PAGE 696

Sec.	Twp.	Rge.	Description	Acres
17	30	25	All 160-090-03	640.00
19	30	25	All 160-100-01; 160-100-02	656.10
20	30	25	All 160-100-03; 160-100-04; 160-100-05	640.00
21	30	25	All 160-111-02; 160-111-05; 160-111-07	640.00
3	30	26	South Half (S/2); excepting therefrom portion described in deed recorded in Book 55 of Deeds at Page 188, KCOR 161-020-03 (Por); 161-020-04 (Por)	252.72
4	30	26	South Half (S/2) 161-020-01 (Por)	320.00
5	30	26	South Half (S/2) 161-030-05 (Por)	320.00
7	30	26	All; excepting therefrom portion described in deed recorded in Book 47 of Deeds, at Page 356, KCOR 161-040-02; 161-040-03; 161-040-09; 161-040-10; 161-040-11	652.40
8	30	26	All; excepting therefrom portion described in deed recorded in Book 47 of Deeds, at Page 356, KCOR 161-040-04; 161-040-05; 161-040-06; 161-040-07; 161-040-08	627.35
9	30	26	All 161-050-07; 161-050-08	640.00
10	30	26	All 161-050-04; 161-050-06; 161-050-09; 161-050-10	640.00
11	30	26	All 161-060-01; 161-060-02	640.00
14	30	26	North Half (N/2); and North Half of South Half (N/2 S/2) 161-070-14; 161-070-16; 161-070-25; 161-070-26; 161-070-17 (Por)	480.00

BOOK 4372 PAGE 697

Sec.	Twp.	Rge.	Description	Acres
15	30	26	North Half (N/2); and North Half of South Half (N/2 S/2) 161-080-02; 161-080-05; 161-080-05 (Por)	480.00
16	30	26	Northeast Quarter (NE/4); and North Half of Northwest Quarter (N/2 NW/4) 161-080-10-161-080-11; 161-080-09 (Por); 161-080-12 (Por)	242.75
17	30	26	All, excepting therefrom portion described in deed recorded in Book 47 of Deeds, at Page 356, KCOR 161-090-04; 161-090-05	635.18
18	30	26	All 161-090-01; 161-090-02; 161-090-03	655.60
19	30	26	North Half (N/2); and North Half of South Half (N/2 S/2) 161-100-01 (Por)	492.40
20	30	26	North Half (N/2); and North Half of Southwest Quarter (N/2 SW/4) 161-100-03 (Por)	402.27
21	30	26	North Half (N/2); Southeast Quarter (SE/4) 161-110-01 (Por)	482.68
23	30	26	South Half of North Half (S/2 N/2) 161-120-01 (Por); 161-120-02 (Por); 161-120-03 (Por)	160.00
28	30	26	East Half (E/2) 161-160-02 (Por)	320.17
33	30	26	All 161-190-05; 161-190-09; 161-190-11	641.11
4	31	26	All 184-090-06	640.00
10	31	26	All 184-07-12	640.00
11	31	26	All 184-07-11	640.00
13	31	26	South Half (S/2) 184-100-03 (Por)	320.00
14	31	26	All 184-100-02	640.00

BOOK 4372 PAGE 698

Sec.	Twp.	Rge.	Description	Acres
17	31	26	A11 184-110-18	640.00
20	31	26	A11 184-110-07; 184-110-08	640.00
21	31	26	A11 184-110-05; 184-110-06	640.00
24	31	26	A11 184-100-04	340.00
28	31	26	That portion lying North of U. S. Segregation Line 184-130-05	322.01
29	31	26	That portion lying North of U. S. Segregation Line 184-130-01; 184-130-02	242.49
27	31	27	A11 184-450-01	640.00
28	31	27	Southwest Quarter (SW/4); and West Half of Northwest Quarter (W/2 NW/4) 184-460-06	240.00
33	31	27	North Half (N/2) 184-460-09	323.34
34	31	27	A11 184-450-09; 184-450-10; 184-450-11	640.00

Containing in the aggregate 23,159.53 acres, more or less

VERA GIBSON, CLERK  
 BY *[Signature]*  
 STATE OF IOWA

FEB 27 12 23 PM 1970

FILED  
 BOOK  
 PAGE

END OF DOCUMENT

RECORDING REQUESTED BY  
JAMES-PIONEER IMPROVEMENT DISTRICT  
as official business

BOOK 5159 PAGE 2217

FD

R1482 A 12/06/78 .00 DRS .00 FREE

AND WHEN RECORDED MAIL TO

056633

1978 DEC -6 AM 8:02

Name A. C. PAULDEN  
Street 1600 "M" Street  
Address Bakersfield, CA 93301  
City & State

RECORDED BY  
RAY A. VERCAMMER  
KERN COUNTY RECORDER

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NO FEB

GRANT OF CANAL EASEMENTS

TENNECO WEST, INC., a Delaware corporation, hereinafter called "Grantor", hereby GRANTS to the NORTH KERN WATER STORAGE DISTRICT, a water storage district organized and existing under and by virtue of the California Water Storage District Law, herein called "Grantee", subject to a condition subsequent, an easement for canal purposes only, over, in and upon that certain real property situated both in the City of Bakersfield and in the unincorporated area of Kern County, California, more particularly described in Exhibit A attached hereto and hereby made a part hereof.

AS A MATERIAL PART OF THE CONSIDERATION by Grantee to Grantor for the canal easement herein granted, Grantee represents and warrants that said easement is being acquired and shall be used for the sole and exclusive purpose of operating and maintaining upon said real property a canal for the transportation of water, and in furtherance of such representation and warranty, Grantor hereby EXCEPTS AND RESERVES to itself, its successors and assigns, a right of reentry to recover use and possession of the real property encumbered by this easement of any part thereof free of the effect of this grant of easement, if and when and to the extent that all or any part thereof shall have ceased to be operated and maintained for canal purposes; and such right of reentry and recovery of use and possession, free of the effect of this grant of easement, is hereby authorized by Grantee to be effected by the recordation in the office of the County Recorder of said Kern County of a unliateral instrument executed by Grantor, or its successor or assign, reciting (a) the names of Grantor and Grantee, (b) a reference to the date and place of recordation of this grant of easement, (c) the date of cessation of operation and maintenance of the canal of the part or parts thereof to which such right of reentry and recovery is to be effected (d) the description of said real property or the relevant part or parts thereof as to which such right of reentry and recovery shall apply, and (e) a statement to the effect that such instrument is recorded pursuant to this grant of easement.

Grantor reserves the right to use, and to permit others to use the premises for any and all purposes which do not hinder or preclude such use of the premises by Grantee and, without limiting the generality of the foregoing, reserves the right to lay, construct and install pipelines, roads, ditches, fences, pole lines and other facilities in, upon, across or along the premises.

Grantee shall, at its expense, promptly comply with any and all laws, ordinances, rules, regulations, requirements and orders whatever, present, or future, of the national, state, county, or municipal government which may in any way apply to the use, maintenance or occupation of or operations on the premises by Grantee hereunder.

Documentary Transfer Tax due \$ NONE

*A. C. Paulden*  
A. C. Paulden, Attorney for North Kern  
Water Storage District, a California water  
storage district



Grantee hereby agrees to indemnify Grantor, its subsidiaries and any company of which Grantor may be a subsidiary and any other subsidiary of any such company, against, and hold them and the premises free and harmless of any costs, expenses (including attorneys' fees in any action or proceeding arising out of matters herein set forth), damages, losses, liability to others, charges, liens, claims of lien and claims or demands whatever which may result from or in any way arise out of or in connection with, either in whole or in part and whether directly or indirectly, (a) for the injury to or death of persons, (b) damage to or destruction of property, (c) the doing of any labor or the furnishing of any materials or supplies in connection with Grantee's operations of said canal, (d) the operations of Grantee on the premises or the exercise by Grantee or any of its rights hereunder, (e) any act or failure to act, whether negligent or otherwise, on the part of Grantee or any contractor engaged in doing work for it, (f) the failure to Grantee or of any such contractor to comply with any present or future law, ordinance, rule, regulation, requirement or order whatever of the national, state, county or municipal government.

IN WITNESS WHEREOF, Grantor has executed this Grant of Easement and Grantee has executed its ratification of the condition subsequent and the agreements of Grantee hereinabove contained, as of this 5th day of December, 1978.



TENNECO WEST, INC.

By Melvin J. [Signature]  
Vice President

and by Naumel [Signature]  
Assistant Secretary

CONDITION SUBSEQUENT RATIFIED:

JAMES-PIONEER IMPROVEMENT DISTRICT OF THE NORTH KERN WATER STORAGE DISTRICT

By Lee Froman [Signature]  
President

By Charlene [Signature]  
Secretary of the NORTH KERN WATER STORAGE DISTRICT

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF KERN )

On December 5<sup>th</sup>, 1978, before me, the undersigned, a Notary Public in and for said State, personally appeared LEE FRODMAN and CHARLENE HEFNER, known to me to be the President and Secretary of the NORTH KERN WATER STORAGE DISTRICT, acting for and on behalf of the JAMES-PIONEER IMPROVEMENT DISTRICT and known to me to be the persons who executed the within instrument on behalf of said public corporation, agency or political subdivision and acknowledged to me that the NORTH KERN WATER STORAGE DISTRICT, acting for and on behalf of the JAMES-PIONEER IMPROVEMENT DISTRICT executed the same.

WITNESS my hand and official seal.

A. Cameron Paulden  
Notary Public in and for said State.



CERTIFICATE OF ACCEPTANCE, GOV'T. CODE, SECTION 27281:

THIS IS TO CERTIFY that the NORTH KERN WATER STORAGE DISTRICT, acting for and on behalf of the JAMES-PIONEER IMPROVEMENT DISTRICT hereby accepts, for public purposes, the within document and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 5<sup>th</sup> day of December, 1978.

Charlene Hefner  
Secretary



LEGAL DESCRIPTION  
P-O Canal Easement

BOOK 5159 PAGE 2221

PARCEL A

Portions of Section 1 of T. 30 S., R. 26 E., and Section 36 of T. 29 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 100.00 feet wide lying 20.00 feet north and 80.00 feet south of the following described line. The sidelines of said strip are to be lengthened or shortened at angle points to be continuous. The basis of bearings is as shown on the Record of Survey Map filed in Book 10 of Record of Surveys on pages 197 and 198 in the Kern County Recorder's Office.

Commencing at the northeast corner of said Section 1; thence S65°58'49"W, 756.54 feet to the True Point of Beginning of said strip; thence N88°27'06"W, 202.13 feet; thence S61°44'21"W, 673.70 feet; thence N57°54'22"W, 171.47 feet; thence N27°54'22"W, 263.44 feet; thence N41°16'38"W, 200.43 feet; thence N64°35'13"W, 265.62 feet; thence N80°41'48"W, 464.03 feet; thence N89°25'14"W, 666.27 feet; thence N89°01'51"W, 810.39 feet; thence N85°35'53"W, 201.77 feet; thence N82°03'06"W, 508.67 feet; thence N83°57'28"W, 513.23 feet to a point on the west line of said Section 36, being the end of said strip, from which point the southwest corner of said Section 36 bears S00°41'10"W, 132.97 feet.

Excepting therefrom any encroachment of the right-of-way of the Cross Valley Canal, Stockdale Highway and Allen Road.

Containing an area of 11.3 acres more or less.

P-O Canal Easement  
PARCEL B

Portions of Section 2 of T. 30 S., R. 26 E., and Section 35 of T. 29 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 100.00 feet wide lying 20.00 feet north and 80.00 feet south of the following described line. The sidelines of said strip are to be lengthened or shortened at angle points to be continuous. The basis of bearings is as shown on the Record of Survey Map filed in Book 10 of Record of Surveys on pages 197 and 198 in the Kern County Recorder's Office.

Commencing at the southeast corner of said Section 35; thence  $N00^{\circ}41'10''E$ , 132.97 feet to the True Point of Beginning of said strip; thence  $S81^{\circ}39'10''W$ , 495.85 feet; thence  $S86^{\circ}26'39''W$ , 497.72 feet; thence  $N82^{\circ}43'31''W$ , 412.00 feet; thence  $N81^{\circ}52'08''W$ , 593.66 feet; thence  $N82^{\circ}36'49''W$ , 859.55 feet; thence  $N74^{\circ}25'11''W$ , 767.76 feet; thence  $N74^{\circ}25'26''W$ , 649.37 feet; thence  $S64^{\circ}18'12''W$ , 701.05 feet; thence  $S60^{\circ}34'09''W$ , 496.72 feet to a point on the west line of said Section 35, being the end of said strip, from which point the southwest corner of said Section 35 bears  $S00^{\circ}23'40''W$ , 48.40 feet.

Excepting therefrom any encroachment of the right-of-way of Stockdale Highway and Renfro Road.

Containing an area of 12.6 acres more or less.

LEGAL DESCRIPTION  
P-O Canal Easement

BOOK 5159 PAGE 2223

PARCEL C

Those portions of Sections 3, 4, 5 and 6 of T. 30 S., R. 26 E., and Section 1 of T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 100.00 feet wide, lying 50.00 feet on each side of the following described centerline. The lengths of the sidelines at angle points being shortened or lengthened to be continuous.

Beginning at the northeast corner of said Section 3; thence south along the East line of said Section 3 to a point on the south right-of-way line of Stockdale Highway, 30.00 feet; thence westerly along said south right-of-way line, 70.00 feet to the True Point of Beginning; thence southerly, along a line located 70.00 feet westerly of and parallel to the east line of said Section, a distance of 2602.00 feet more or less, to a point being 25.00 feet north of the mid-section line of said Section 3; thence westerly 25.00 feet north of and parallel to the mid-section lines of said Sections 3, 4 and 5, a distance of 15,791.00 feet more or less to a point on the west line of said Section 5, which point is 25.00 feet north of the west one-quarter corner of said Section 5; thence continuing westerly 25.00 feet north of and parallel to the mid-section line of said Section 6, a distance of 3258.50 feet to the beginning of a 200 foot radius tangent curve concave northeasterly; thence north-westerly along said curve through a central angle of 20°00'00" an arc distance of 69.81 feet; thence leaving said curve along a tangent line thereto, 294.79 feet to the beginning of a 200 foot radius tangent curve concave to the south; thence westerly along said curve through a central angle of 32°17'30" an arc distance of 112.72 feet; thence leaving said curve along a tangent line thereto, 70.14 feet to the centerline of the Southern Pacific Railroad; thence continuing along the same tangent line, 473.70 feet to the beginning of a 200 foot radius

LEGAL DESCRIPTION  
P-O Canal Easement

BOOK 5159 PAGE 2224

PARCEL C (continued)

tangent curve concave northwesterly; thence southwesterly along said curve through a central angle of  $12^{\circ}17'30''$ , an arc distance of 42.90 feet to a point at the end of said curve, being a tangent point on a line 25.00 feet north of and parallel to the midsection line of said Section 6; thence westerly along said line, 1074.20 feet to the west line of said Section 6, said point being 25.00 feet north of the west one-quarter corner of said Section 6; thence westerly 25.00 feet north of and parallel to the mid-section line of said Section 1, 4686.00 feet more or less to the beginning of a 445 foot radius tangent curve concave southeasterly; thence southwesterly along said curve through a central angle of  $28^{\circ}04'26''$  an arc distance of 218.04 feet; thence leaving said curve along a tangent line thereto, 138.48 feet to the beginning of a 155 foot radius tangent curve concave northwesterly; thence southwesterly along said curve through a central angle of  $29^{\circ}14'28''$  an arc distance of 79.11 feet to a point 145.00 feet north of the centerline of the Cross Valley Canal; thence leaving said curve along a tangent line thereto, 118.27 feet to an angle point, said angle point being 115.00 feet east of the west line of said Section 1; thence northerly along a line 115.00 feet, easterly of the west line of Section 1 parallel and adjacent to the east right-of-way line of Enos Lane (State Highway 43), a distance of 1176.00 feet to the end of said strip.

Excepting therefrom the right-of-way of the Southern Pacific Railroad, Sunset Branch, being 100.00 feet wide, lying 50.00 feet on each side of the centerline thereof.

Containing an area of 69.0 acres more or less.

LEGAL DESCRIPTION  
P-O Canal Easement

BOOK 5159 PAGE 2225

PARCEL D

That portion of Section 2 of T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 70.00 feet wide lying 5.00 feet north and 65.00 feet south of the following described line. The sidelines of said strip are to be lengthened or shortened at angle points to be continuous. The basis of bearings is as shown on the Record of Survey Map filed in Book 10 of Record of Surveys on pages 197 and 198 in the Kern County Recorder's Office.

Commencing at the northeast corner of said Section 2; thence  $S01^{\circ}14'39''W$ , 1650.05 feet to the True Point of Beginning of said strip; thence  $N71^{\circ}38'12''W$ , 713.53 feet; thence  $N86^{\circ}50'35''W$ , 444.94 feet; thence  $S69^{\circ}45'46''W$ , 317.53 feet; thence  $S60^{\circ}22'55''W$ , 290.92 feet; thence  $S72^{\circ}11'53''W$ , 404.90 feet; thence  $S77^{\circ}29'14''W$ , 2966.32 feet; thence  $S80^{\circ}29'41''W$ , 384.87 feet to a point on the west line of said Section 2, being the end of said strip, from which point the west one-quarter corner of said Section 2 bears  $S00^{\circ}51'25''W$ , 170.72 feet.

Excepting therefrom any encroachment of the right-of-way of the Rosedale-Rio Bravo Canal, and Enos Lane.

Containing an area of 8.9 acres more or less.

LEGAL DESCRIPTION  
P-O Canal Easement

BOOK 5159 PAGE 2226

PARCEL E

That portion of Section 3 of T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 70.00 feet wide lying 5.00 feet north and 65.00 feet south of the following described line. The sidelines of said strip are to be lengthened or shortened at angle points to be continuous. The basis of bearings is as shown on the Record of Survey Map filed in Book 10 of Record of Surveys on pages 197 and 198 in the Kern County Recorder's Office.

Commencing at the east one-quarter corner of said Section 3; thence N00°51'25"E, 170.72 feet to the True Point of Beginning of said strip; thence S80°29'55"W, 2321.19 feet; thence S72°08'42"W, 372.52 feet; thence S83°57'52"W, 983.43 feet; thence S88°21'07"W, 182.62 feet; thence N87°08'23"W, 164.90 feet; thence N73°42'55"W, 172.20 feet; thence N64°05'10"W, 346.74 feet; thence N68°23'41"W, 307.59 feet to a point on the west line of said Section 3, being the end of said strip, from which point the west one-quarter corner of said Section 3 bears N00°40'00"E, 410.79 feet.

Containing an area of 8.8 acres more or less.

LEGAL DESCRIPTION  
P-O Canal Easement

BOOK 5159 PAGE 2227

PARCEL F

Those portions of Sections 4, 5 and 6 of T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 70.00 feet wide lying 15.00 feet north and 55.00 feet south of the following described line. The sidelines of said strip are to be lengthened or shortened at angle points to be continuous. The basis of bearings is as shown on the Record of Survey Map filed in Book 10 of Record of Surveys on pages 194 and 195 in the Kern County Recorder's Office.

Commencing at the east one-quarter corner of said Section 4; thence  $S00^{\circ}40'00''W$ , 421.42 feet along the east line of said Section 4 to the True Point of Beginning of said strip; thence  $N69^{\circ}30'23''W$ , 2810.27 feet; thence  $N69^{\circ}33'01''W$ , 814.38 feet; thence  $N55^{\circ}30'11''W$ , 348.34 feet; thence  $N70^{\circ}14'56''W$ , 227.90 feet; thence  $N82^{\circ}29'06''W$ , 295.11 feet; thence  $N77^{\circ}07'52''W$ , 150.01 feet; thence  $N71^{\circ}28'52''W$ , 160.37 feet; thence  $N68^{\circ}22'37''W$ , 840.50 feet to a point on the west line of said Section 4, from which point the southwest corner of said Section 4 bears  $S00^{\circ}21'57''W$ , 4068.86 feet; thence  $N88^{\circ}06'57''W$ , 1210.30 feet; thence  $S81^{\circ}19'13''W$ , 804.66 feet; thence  $S59^{\circ}59'53''W$ , 323.31 feet; thence  $S49^{\circ}04'30''W$ , 211.81 feet; thence  $S56^{\circ}02'24''W$ , 149.27 feet; thence  $S18^{\circ}27'50''W$ , 129.32 feet; thence  $S26^{\circ}47'50''W$ , 258.80 feet; thence  $S34^{\circ}10'55''W$ , 73.00 feet; thence  $S52^{\circ}10'23''W$ , 80.68 feet; thence  $S76^{\circ}16'28''W$ , 80.00 feet; thence  $S86^{\circ}28'35''W$ , 82.79 feet; thence  $S89^{\circ}08'35''W$ , 677.20 feet; thence  $S88^{\circ}26'35''W$ , 680.46 feet; thence  $N88^{\circ}07'25''W$ , 175.76 feet; thence  $N85^{\circ}54'09''W$ , 136.91 feet; thence  $N79^{\circ}48'43''W$ , 237.69 feet; thence  $N70^{\circ}35'45''W$ , 134.12 feet; thence  $N81^{\circ}40'45''W$ , 93.78 feet; thence  $S85^{\circ}25'17''W$ , 99.25 feet; thence  $S78^{\circ}25'45''W$ , 170.21 feet; thence  $S85^{\circ}18'19''W$ , 51.19 feet to a point on the west line of said Section 5, from which point the southwest corner of said Section bears  $S00^{\circ}05'46''W$ , 2986.21 feet; thence  $S85^{\circ}18'01''W$ , 49.18 feet; thence  $S89^{\circ}15'11''W$ , 545.82 feet; thence

LEGAL DESCRIPTION  
P-O Canal Easement

BOOK 5159 PAGE 2228

PARCEL F (continued)

N82°54'19"W, 71.36 feet; thence N62°12'56"W, 74.20 feet; thence N48°02'29"W, 344.42 feet; thence S41°48'52"W, 91.51 feet to a point on the right-of-way line of Interstate Five Freeway, being the end of said strip, said point also to be hereinafter referred to as Point A.

Containing an area of 20.4 acres more or less.

P-O Canal Easement

PARCEL G  
P-O Tailwater Pond Easement

That portion of Section 6 of T. 30 S., R. 25 E., M.D.M., Kern County, California, described as follows:

The bearing of N48°22'00"W for the centerline of Interstate Five Freeway within said Section 6 was used for the basis of bearings.

Commencing at Point A described in Parcel F, as described hereinabove; thence S41°38'00"W, 208.00 feet to a point on the right-of-way of said Freeway, being the True Point of Beginning; thence S48°22'00"E, 446.74 feet along the right-of-way of said Freeway; thence N89°38'05"W, 1660.80 feet; thence N00°55'18"E, 828.20 feet; thence S88°42'14"E, 722.48 feet to a point on the right-of-way of said Freeway; thence S48°22'00"E, 791.07 feet along the right-of-way of said Freeway to the true point of beginning.

Containing 22.4 acres more or less.



LEGAL DESCRIPTION

BOOK 5159 PAGE 2229

P-1 Canal Easement

That portion of Section 4, T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline:

Beginning at the center of said Section 4; thence west 21.22 feet; thence southerly along a line 21.22 feet west of and parallel to the north-south mid-section line of said section to the south right-of-way line of the Cross Valley Canal, said point being the True Point of Beginning; thence continuing southerly, 21.22 feet west of and parallel to the mid-section line, 2516.00 feet more or less to the south line of said Section 4, being the end of said strip.

Containing an area of 3.5 acres more or less.

LEGAL DESCRIPTION

BOOK 5159 PAGE 2230

P-3 Canal Easement

Those portions of Sections 5 and 8 of T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline:

Beginning at the center of said Section 5; thence westerly along the east-west mid-section line of Section 5, 19.97 feet to the True Point of Beginning; thence southerly on a straight line to a deflection angle point on the south line of said Section 5, which point bears west from the south one-quarter corner of Section 5, 20.52 feet; thence on a line that has a deflection angle of  $01^{\circ}05'27''$  to the right from the prolongation of the previous described line, a distance of 2594.00 feet more or less to a point on the east-west mid-section line of said Section 8, which point bears west from the center of said Section 8, a distance of 70.5 feet more or less, said point also being the end of said strip.

Excepting therefrom the right-of-way of the Cross Valley Canal.

Containing an area of 7.0 acres more or less.

LEGAL DESCRIPTION  
F-5 Canal Easement

BOOK 5159 PAGE 2231

PARCEL ONE

Those portions of Sections 6, 7 & 18 of T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline. The sidelines of said strip are to be lengthened or shortened at angle points as necessary to be continuous.

Beginning at the west one-quarter corner of said Section 6; thence S56°35'24"E, 314.13 feet to the True Point of Beginning, said bearing is at an angle of 33°12'51" from the east-west mid-section line of Section 6. Thence S01°28'36"W, 2473.87 feet to a point on the south line of Section 6 from which point the southwest corner of Section 6 bears N89°59'30"W, 249.06 feet; thence S01°28'36"W, 660.28 feet; thence S45°41'01"W, 61.53 feet; thence S01°22'02"W, 556.49 feet; thence S04°54'59"E, 370.72 feet; thence S01°05'51"W, 1026.22 feet to a point, from said point the west one-quarter corner of Section 7 bears N88°41'26"W, 236.39 feet; thence continuing S01°05'51"W, 2612.77 feet; thence N89°58'46"W, 235.02 feet; thence S01°04'45"W, 30.00 feet to the south-west corner of Section 7; thence continuing S01°04'45"W, 2648.65 feet to a point, from which point the west one-quarter corner of Section 18 bears due west, 00.37 feet. Said point also being the end of said strip.

Excepting therefrom the right-of-way of the Cross Valley Canal.

Containing an area of 14.7 acres more or less.

LEGAL DESCRIPTION  
P-5 Canal Easement

BOOK 5159 PAGE 2232

PARCEL TWO

That portion of Section 7 of T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline:

Beginning at a point on the centerline of Parcel One of the P-5 Canal, which lies 50.00 feet north and 236.42 feet east of the west one-quarter corner of said section, thence easterly 50.00 feet north of and parallel to the east-west mid-section line of said section, 2400.00 feet to the end of said strip.

Containing an area of 3.3 acres more or less.

LEGAL DESCRIPTION

P-7 Canal Easement

BOOK 5159 PAGE 2233

Those portions of Sections 1, 12 and 13 of T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline:

Beginning at a point on the south right-of-way line of the Cross Valley Canal, which lies 55.00 feet east of the north-south mid-section line of said Section 1; thence southerly 55.00 feet east and parallel with the north-south mid-section lines of said Sections 1, 12 and 13 to a point which lies 77.00 feet south of the south line of said Section 12; thence westerly 77.00 feet south of and parallel with said south line, 90.00 feet more or less to a point 35.00 feet west of the north-south mid-section line of said Section 13; thence southerly 35.00 feet west of and parallel with the said north-south mid-section line to the east-west mid-section line of said Section 13, being the end of said strip.

Containing an area of 14.4 acres more or less.

## LEGAL DESCRIPTION

P-9 Canal Easement

BOOK 5159 PAGE 2234

A strip of land through portions of Sections 1, 8, 9, 10, 11, 12, 17 and 18 of T. 30 S., R. 25 E., M.D.M., Kern County, California; the centerline and width of said strip is described as follows. The sidelines of said strip are to be lengthened or shortened at angle points to be continuous.

PARCEL ONE

The width of Parcel One is 70.00 feet, lying 35.00 feet on each side of the following described centerline. The basis of bearings for Parcel One is as shown on Record of Survey Map filed in Book 4 of Record of Surveys at Page 73 in the Kern County Recorder's Office.

Beginning at the west one-quarter corner of Section 1; thence S39°24'41"E, 100.00 feet to the True Point of Beginning; thence S00°35'19"W, parallel to and 100.00 feet east of the west line of Section 1, 2942.91 feet; thence S70°01'59"W, 160.92 feet; thence S00°43'00"W, along a line parallel to and approximately 75.00 feet west of the centerline of State Highway 43 (also known as Enos Lane), a distance of 2229.23 feet to a point, from which the east quarter corner of said Section 11 bears S61°02'06"E, 85.12 feet; thence N89°42'08"W, 2545.52 feet to Point A, said Point A being the point of Beginning of the P-11 Canal; thence continuing N89°42'08"W, 2555.98 feet to a point, from which the west one-quarter corner of said Section 11 bears S68°38'03"W, 109.84 feet; thence S45°05'07"W, 49.31 feet; thence S00°07'38"E, 622.27 feet to Point B, from which the southwest corner of said Section 11 is approximately 2012.00 feet south and 67.00 feet west; thence N88°31'55"W, 1429.20 feet; thence S89°11'54"W, 701.17 feet; thence S82°36'54"W, 457.08 feet; thence S89°51'34"W, 2808.85 feet to Point C; thence S89°51'34"W, 30.00 feet to the end of said strip.

Excepting therefrom the rights-of-way of the Cross Valley Canal and State Highway 43 (Enos Lane).  
Containing an area of 26.0 acres more or less.

## LEGAL DESCRIPTION

P-9 Canal Easement

BOOK 5159 PAGE 2235

PARCEL TWO

The width of Parcel Two is 60.00 feet, lying 30.00 feet on each side of the following described centerline. The basis of bearings for Parcel Two is the same as for Parcel One.

Beginning at Point C in Parcel One as described hereinabove; thence  $S1^{\circ}00'25''E$ , 1896.00 feet to Point D; thence  $S1^{\circ}00'25''E$ , 30.00 feet to the end of said strip. From said Point D the southeast corner of said Section 9 bears  $S23^{\circ}46'41''E$ , 93.59 feet.

Containing an area of 2.6 acres more or less.

PARCEL THREE

The width of Parcel Three is 60.00 feet, lying 30.00 feet on each side of the following described centerline. The basis of bearings for Parcel Three is as shown on Record of Survey Map filed in Book 10 of Record of Surveys at Pages 194 and 195 in the Kern County Recorder's Office.

Beginning at Point D in Parcel Two as described hereinabove; thence  $N88^{\circ}46'05''W$ , 1374.10 feet; thence  $N89^{\circ}34'36''W$ , 483.15 feet; thence  $N88^{\circ}25'36''W$ , 740.68 feet to Point E, from which the south one-quarter corner of said Section 9 bears  $S4^{\circ}12'24''W$ , 82.84 feet; thence  $N88^{\circ}25'36''W$ , 1005.90 feet to Point F, said Point F being the beginning of the P-15 Canal; thence  $N88^{\circ}25'36''W$ , 1639.22 feet to Point G, from said Point G the southwest corner of said Section 9 bears  $S00^{\circ}35'04''E$ , 97.86 feet, said Point G also being a point on the west line of Section 9; thence  $N88^{\circ}25'36''W$ , 22.55 feet; thence  $S00^{\circ}52'24''W$ , 5.00 feet; thence  $N89^{\circ}07'36''W$ , 2318.80 feet; thence  $S87^{\circ}26'23''W$ , 300.54 feet; thence  $N89^{\circ}07'36''W$ , 2583.85 feet to Point H, from which the northwest corner of said Section 17 bears  $S72^{\circ}24'53''W$ , 51.41 feet; thence  $S01^{\circ}42'09''W$ , 1197.20 feet; thence  $N88^{\circ}$

LEGAL DESCRIPTION

P-9 Canal Easement

BOOK 5159 PAGE 2236

PARCEL THREE (continued)

17°51'W, 92.58 feet; thence S01°42'59"W, 4042.86 feet to Point I, being the end of Parcel C. From said Point I the southwest corner of said Section 17 bears S49°33'10"E, 56.15 feet.

Excepting therefrom the rights-of-way of Interstate Five Freeway and the Cross Valley Canal.

Containing an area of 21.0 acres more or less.

P-9 Canal Easement

PARCEL FOUR

That portion of Section 11 of T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline:

Beginning at Point B on the P-9 Canal as said point is described in the description of Parcel One of said P-9 Canal; thence southerly 67.00 feet more or less east of and parallel to the west line of said Section 11 for a distance of 2012.00 feet to the south line of said Section 11, being the end of said strip.

Containing an area of 2.7 acres more or less.



## LEGAL DESCRIPTION

BOOK 5159 PAGE 2237

## P-11 Canal Easement

All those portions of Sections 11, 14, 15, 22 and 23 of T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline. The sidelines of said strip are lengthened or shortened at angle points to be continuous. The basis of bearings for Parcels One and Two is as shown on Record of Survey Map filed in Book 4 of Record of Surveys at Page 73 in the Kern County Recorder's Office.

PARCEL ONE

Beginning at Point A on the P-9 Canal as said point is described in the description of Parcel One of said P-9 Canal, said Point A bears N21°06'41"E, 43.55 feet from the center of said Section 11; thence S00°01'00"E, 2463.11 feet; thence N89°59'00"E, 145.00 feet; thence S00°01'00"E, 210.00 feet to the south line of said Section 11, from which point the south one-quarter corner of said Section 11 bears N89°37'29"W, 159.92 feet; thence S00°01'00"E, 2401.85 feet; thence S45°01'00"E, 100.46 feet; thence S00°09'00"W, 2792.85 feet to the south line of said Section 14, from which point the south one-quarter corner bears N89°29'06"W, 248.80 feet; thence S00°09'00"W, 45.06 feet; thence N89°30'35"W, 45.00 feet south of and parallel to the south line of the southwest one-quarter of said Section 14, 3286.21 feet to a point from which point the southwest corner of said Section 14 bears N84°E, 400.00 feet; thence N00°29'10"E, 1328.00 feet to the end of said strip.

Excepting therefrom any encroachment of the Buena Vista Main Canal right-of-way.

Containing an area of 17.6 acres more or less.

LEGAL DESCRIPTION  
P-11 Canal Easement

BOOK 5159 PAGE 2238

PARCEL TWO

Beginning at a point which bears  $S86^{\circ}38'42''W$ , 2405.09 feet from the south west corner of said Section 14, said point of beginning also bears approximately  $S54^{\circ}52'E$ , 300.00 feet more or less from the south one-quarter corner of Section 15; thence  $N87^{\circ}04'08''W$ , 170.11 feet; thence  $S00^{\circ}18'08''W$ , 2956.70 feet to the end of said strip; said last course also being 77.50 feet more or less east of and approximately parallel to the north-south mid-section line of said Section 22.

Excepting therefrom any encroachment of the Buena Vista Main Canal right-of-way.

Containing an area of 4.3 acres more or less.

LEGAL DESCRIPTION  
P-13 Canal Easement

BOOK 5159 PAGE 2239

Those portions of Sections 7, 8 & 9 of T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline. The sidelines of said strip are lengthened or shortened at angle points to be continuous. The basis of bearings for this description is as shown on Record of Survey Map filed in Book 10 of Record of Surveys at Pages 194 and 195 in the Kern County Recorder's Office.

Beginning at Point C on the P-9 Canal as said point is described in the description for Parcel One of said P-9 Canal; thence  $N00^{\circ}23'53''E$ , 706.68 feet, from said point the east one-quarter corner of said Section 9 bears  $S56^{\circ}44'W$ , 60.00 feet more or less; thence  $N88^{\circ}46'42''W$ , 4017.46 feet; thence  $N88^{\circ}52'42''W$ , 324.63 feet; thence  $S87^{\circ}38'22''W$ , 165.50 feet; thence  $N88^{\circ}46'27''W$ , 713.32 feet to a point, from which point the west one-quarter corner of said Section 9 bears  $S15^{\circ}52'02''W$ , 53.12 feet; thence  $N88^{\circ}46'27''W$ , 162.99 feet; thence  $N85^{\circ}20'26''W$ , 181.93 feet; thence  $N88^{\circ}28'35''W$ , 4965.22 feet to a point, from which the west one-quarter corner of said Section 8 bears approximately  $S10^{\circ}54'E$ , 51.00 feet more or less; thence  $N88^{\circ}28'35''W$ , 5195.40 feet to the end of said strip.

Excepting therefrom the right-of-way of the Interstate Five Freeway and the Cross Valley Canal.

Containing an area of 22.6 acres more or less.

## LEGAL DESCRIPTION

BOOK 5159 PAGE 2240

## P-15 Canal Easement

All those portions of Sections 9, 16 and 21 in T. 30 S., R. 25 E., M.D.M., Kern County, California; being a strip of land 60.00 feet wide lying 30.00 feet on each side of the following described centerline. The sidelines of said strip are lengthened or shortened at angle points to be continuous. The basis of bearings is as shown on Record of Survey Map filed in Book 10 of Record of Surveys at Pages 194 and 195 in the Kern County Recorder's Office.

Beginning at Point F on the P-9 Canal as said point is described in the description for Parcel Three of said P-9 Canal, said Point F also bears N83° 42'21"W, 1005.51 feet from the north one quarter corner of said Section 16; thence S01°24'39"W, 2674.83 feet; thence S88°42'51"E, 1030.63 feet to a point, from which the center of said Section 16 bears approximately S32°30'W, 44.00 feet more or less; thence S01°17'39"W, 2399.53 feet; thence S00°57'58"W, 436.83 feet to Point J, said point being the point of beginning of the P-17 Canal, from said Point J the south one-quarter corner of said Section 16 bears approximately N04°27'W, 174.00 feet more or less; thence S00°18'39"W, 3758.95 feet to the end of said strip.

Excepting therefrom the right-of-way for the Buena Vista Main Canal.

Containing an area of 13.9 acres more or less.

## LEGAL DESCRIPTION

P-17 Canal Easement

BOOK 5159 PAGE 2241

All those portions of Section 19, 20 and 21 of T. 30 S., R. 25 E., M.D.M., Kern County, California; being a strip of land 50.00 feet wide lying 25.00 feet on each side of the following described centerline. The sidelines of said strip are lengthened or shortened at angle points to be continuous. The basis of bearings is as shown on the Record of Survey Map filed in Book 10 of Record of Surveys at Pages 194 and 195 in the Kern County Recorder's Office.

PARCEL ONE

Beginning at Point J on the P-15 Canal as said point is described in the description for said P-15 Canal, from said Point J the north one-quarter corner of said Section 21 bears approximately  $N04^{\circ}27'W$ , 174.00 feet more or less; thence  $N88^{\circ}39'01''W$ , 2678.00 feet to a point from which point the north west corner of said Section 21 bears  $N00^{\circ}16'08''W$ , 173.49 feet; thence  $N88^{\circ}39'01''W$ , 3570.35 feet to Point K, said point being the point of beginning of Parcel Two herein; thence  $N88^{\circ}39'01''W$ , 489.02 feet; thence  $S55^{\circ}10'21''W$ , 21.56 feet; thence  $S88^{\circ}57'19''W$ , 984.08 feet to a point, from which point the northwest corner of said Section 20 bears  $N45^{\circ}10'46''W$ , 334.19 feet; thence  $S01^{\circ}08'W$ , 237.6 feet; thence  $S53^{\circ}45'W$ , 3292.60 feet; thence  $S36^{\circ}11'E$ , 2710.00 feet to the end of said strip.

Excepting therefrom any encroachment of the right-of-way of the Buena Vista Main Canal.

Containing an area of 16.0 acres more or less.

PARCEL TWO

Beginning at Point K as said point is described in Parcel One hereinabove; thence  $S01^{\circ}20'W$ , 1267.00 feet to the end of said strip.

Containing an area of 1.4 acres more or less.

JAMES MAIN CANAL SYSTEM  
7-0 CANAL

BOOK 5159 PAGE 2242

"PARCEL 1"

Those portions of Sections 10, 11, 12 and 15, T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 65.00 feet wide, lying 32.50 feet on each side of the following described centerline:

Commencing at the East one-quarter corner of said Section 12; thence Northerly along the East line of said Section, 71.24 feet to a point in the centerline of the existing James Canal; thence Westerly along said centerline, 2580.14 feet to the beginning of a 50.00 foot radius tangent curve concave Southeasterly, also being the True Point of Beginning; thence Southwesterly along said curve through a central angle of  $89^{\circ}50'56''$  an arc distance of 78.41 feet; thence Southerly parallel with and 5.00 feet East of the North-South midsection line of said Section 12, and tangent to last said curve, a distance of 514.37 feet to the beginning of a 150.00 foot radius tangent curve concave Northeasterly; thence Southeasterly along said curve through a central angle of  $21^{\circ}02'22''$  an arc distance of 55.08 feet to a 150.00 foot radius reverse curve concave Southwesterly; thence Southeasterly along said curve through a central angle of  $21^{\circ}02'22''$  an arc distance of 55.08 feet; thence Southerly parallel with and 25.00 feet East of said midsection line and tangent to last said curve, 1923.28 feet to the beginning of a 100.00 foot radius tangent curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $89^{\circ}36'18''$ , an arc distance of 156.39 feet to a point which lies 74.20 feet West and 42.45 feet North of the south one-quarter corner of said Section 12; thence Westerly, tangent to last said curve, through said Sections 12 and 11, 7942.74 feet to a point in said Section 10 which lies 50.00 feet West and 40.55 feet North of the Southeast corner of said Section 10, said point also being the beginning of a 100.00 foot radius tangent curve concave Southeasterly; thence Southwesterly

JAMES MAIN CANAL SYSTEM  
7-0 CANAL

BOOK 5159 PAGE 2243

PARCEL 1 (continued)

along said curve through a central angle of  $50^{\circ}00'00''$ , an arc distance of 87.27 feet; thence Southwesterly tangent to last said curve, 18.43 feet to the beginning of a 100.00 foot radius tangent curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $49^{\circ}59'27''$ , an arc distance of 87.25 feet; thence Westerly parallel with and 45.00 feet South of the North line of said Section 15 and tangent to last said curve, 2354.37 feet to a point which lies 64.22 feet East and 45.00 feet South of the North one-quarter corner of said Section 15, said point also being the beginning of a 100.00 foot radius tangent curve concave Southeasterly; thence Southwesterly along said curve through a central angle of  $89^{\circ}33'05''$ , an arc distance of 156.30 feet; thence Southerly parallel with and 55.00 feet West of the North/South midsection line of said Section 15 and tangent to last said curve, 2350.08 feet to the beginning of a 100.00 foot radius tangent curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $89^{\circ}29'30''$ , an arc distance of 156.19 feet; thence Westerly parallel with and 50.00 feet North of the East/West midsection line of said Section 15 and tangent to last said curve, 2362.86 feet to a point which lies 144.42 feet East and 50.00 feet North of the West one-quarter corner of said Section 15, said point also being the beginning of a 100.00 foot radius tangent curve concave Southeasterly; thence Southwesterly along said curve through a central angle of  $89^{\circ}19'58''$ , an arc distance of 155.92 feet; thence Southerly parallel with and 45.00 feet East of the West line of said Section 15 and tangent to last said curve, 2497.78 feet to a point in the North right-of-way line of the Sunset Branch of the Southern Pacific Railroad and the end of said strip, said point to be hereinafter referred to as Point "A".

Containing 31.3 acres more or less.

JAMES MAIN CANAL SYSTEM  
7-0 CANAL

BOOK 5159 PAGE 2244

"PARCEL 2"

Those portions of Section 15, 19, 20, 21 & 22, T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 65.00 feet wide, lying 32.50 feet on each side of the following described centerline:

Commencing at Point "A" described in "Parcel 1" hereinabove, thence Southerly parallel with and 45.00 feet East of the West line of said Section 15, a distance of 100.00 feet to a point in the South right-of-way line of the Sunset Branch of the Southern Pacific Railroad, said point also being the True Point of Beginning; thence continuing Southerly, 9.80 feet to the beginning of a 35.72 foot radius tangent curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $90^{\circ}19'17''$ , an arc distance of 56.31 feet; thence Westerly parallel with and 45.00 feet South of the North lines of said Sections 22, 21 and 20 and tangent to last said curve, 7679.28 feet to a point in said Section 20 which lies 164.93 feet East and 45.00 feet south of the North one-quarter corner of said Section 20, said point also being the beginning of a 100.00 foot radius tangent curve concave Southeasterly; thence Southwesterly along said curve through a central angle of  $89^{\circ}57'28''$ , an arc distance of 157.01 feet; thence Southerly parallel with and 65.00 feet East of the North/South midsection line of said Section 20 and tangent to last said curve, 5010.23 feet to the beginning of a 100.00 foot radius tangent curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $90^{\circ}00'21''$ , an arc distance of 157.09 feet to a point that lies 35.00 feet West and 70.00 feet North of the South one-quarter corner of said Section 20; thence Westerly parallel with and 70.00 feet North of the South lines of said Sections 20 and 19, also being the Centerline of Panama Lane and tangent to last said curve, 5723.14 feet to the beginning of a 100.00 foot radius tangent curve concave Northeasterly; thence Northwesterly along said curve through a



JAMES MAIN CANAL SYSTEM  
7-0 CANAL

BOOK 5159 PAGE 2245

"PARCEL 2" (Continued)

central angle of  $25^{\circ}50'31''$ , an arc distance of 45.10 feet to a 100.00 foot radius reverse curve concave Southwesterly; thence Northwesterly along said curve through a central angle of  $25^{\circ}50'31''$ , an arc distance of 45.10 feet; thence Westerly parallel with and 90.00 feet North of said South line of said Section 19 and tangent to last said curve, 130.00 feet to the beginning of a 100.00 foot radius tangent curve concave Southeasterly; thence southwesterly along said curve through a central angle of  $25^{\circ}50'31''$ , an arc distance of 45.10 feet to a 100.00 foot radius reverse curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $25^{\circ}50'31''$ , an arc distance of 45.10 feet; thence Westerly parallel with and 70.00 feet North of said South line of said Section 19 and tangent to last said curve, 2056.72 feet to a point that lies 70.00 feet North and 65.00 feet West of the Southwest corner of said Section 19; thence Southerly parallel with and 65.00 feet West of the East line of said Section 24, a distance of 40.00 feet to a point in the North right-of-way line of Panama Lane and the end of said strip, said point also to be hereinafter referred to as Point "B".

Containing 31.6 acres more or less.

JAMES MAIN CANAL SYSTEM  
7-0 CANAL

BOOK **5159** PAGE **2246**

PARCEL 3

That portion of Section 25, T. 30 S., R. 25 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide, lying 30.00 feet on each side of the following described centerline:

Commencing at Point "B" described in "Parcel 2" hereinabove; thence Southerly parallel with and 65.00 feet West of the East line of Section 24, of said T. 30 S., R. 25 E., M.D.M., 60.00 feet to a point in the South right-of-way line of Panama Lane, said point also being the True Point of Beginning; thence Southerly parallel with and 65.00 feet West of the East line of said Section 25, a distance of 5254.00 feet, more or less to the South line of said Section 25 and the end of said strip.

Containing 7.2 acres more or less.

JAMES MAIN CANAL SYSTEM  
7-1 CANAL

BOOK 5159 PAGE 2247

"PARCEL 1"

Those portions of Sections 12, 13, 14 & 15, T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide, lying 30.00 feet on each side of the following described centerline:

Beginning at a point of intersection with the centerline of the 7-0 Canal easement and the North/South midsection line of said Section 12; thence Southerly along said midsection line, 75.67 feet to the South one-quarter corner of said Section 12; thence Southerly along the North/South midsection line of said Section 13, a distance of 5037.90 feet to a point that lies 243.84 feet North of the South one-quarter corner of said Section 13, said point also being the beginning of a 100.00 foot radius tangent curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $89^{\circ}37'18''$ , an arc distance of 156.42 feet; thence Westerly parallel with and 85.00 feet North of the centerline of the Sunset Branch of the Southern Pacific Railroad and tangent to last said curve, 5183.79 feet to a point on the North/South midsection line of said Section 14, which lies 139.00 feet North of the South one-quarter corner of said Section 14, said point to be hereinafter referred to as Point "C"; thence continuing Westerly parallel with and 85.00 feet North of said Railroad centerline, 2494.49 feet to the beginning of a 100.00 foot radius tangent curve concave Northeasterly; thence Northwesterly along said curve through a central angle of  $45^{\circ}00'00''$ , an arc distance of 78.54 feet to a 100.00 foot reverse curve concave Southwesterly; thence Northwesterly along said curve through a central angle of  $45^{\circ}00'00''$ , an arc distance of 78.54 feet; thence Westerly parallel with and 143.58 feet North of said Railroad centerline and tangent to last said curve,

JAMES MAIN CANAL SYSTEM  
7-1 CANAL

BOOK 5159 PAGE 2248

"PARCEL 1" (continued)

20.00 feet to the beginning of a 86.35 foot radius tangent curve concave Southeasterly; thence Southwesterly along said curve through a central angle of 45°00'00", an arc distance of 67.82 feet to a 86.35 foot radius reverse curve concave Northwesterly; thence Southeasterly along said curve through a central angle of 45°00'00", an arc distance of 67.82 feet; thence Westerly parallel with and 93.00 feet North of said Railroad centerline and tangent to last said curve, 904.88 feet; thence Southwesterly, 100.22 feet; thence Westerly parallel with and 85.00 feet North of said Railroad centerline, 4175.00 feet more or less to the centerline of the 7-0 Canal easement and the end of said strip.

Containing 25.4 acres more or less.

JAMES MAIN CANAL SYSTEM  
7-1 CANAL

BOOK 5159 PAGE 2249

"PARCEL 2"

That portion of Section 14 and 23, T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 70.00 feet wide, lying 35.00 feet on each side of the following described centerline:

Commencing at Point "C" of Parcel 1 hereinabove described; thence Easterly along the centerline of said canal, described in Parcel 1, 20.00 feet to the True Point of Beginning; thence Southerly parallel with and 40.00 feet East of a North/South survey line that begins at a point 20.00 feet West of the North one-quarter corner of said Section 23 and ends at a point 11.18 feet West of the South one-quarter corner of said Section 23 the following courses: 1) 35.00 feet to the Northerly right-of-way line of the Sunset Branch of the Southern Pacific Railroad; 2) 100.00 feet to the Southerly right-of-way line of said Railroad; 3) 1315.00 feet to the end of said strip.

Except therefrom the portion lying within said railroad right-of-way lines.  
Containing 2.2 acres more or less.

"PARCEL 3"

That portion of Section 14, T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide, lying 30.00 feet on each side of the following described centerline:

Commencing at Point "C" of Parcel 1 hereinabove described; thence Easterly along the centerline of said canal, described in Parcel 1, 40.00 feet to the True Point of Beginning; thence Northerly parallel to and 40.00 feet East of the North/South midsection line of said Section 14, a distance of 2580.00 feet to the end of said strip.

Containing 3.6 acres more or less.

JAMES MAIN CANAL SYSTEM  
7-2 CANAL

BOOK 5159 PAGE 2250

"PARCEL 1"

Those portions of Sections 21 and 22, T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide, lying 30.00 feet on each side of the following described centerline:

Beginning at a point in the centerline of the 7-0 Canal easement which lies 5.00 feet East and 45.00 feet South of the Northwest corner of said Section 22; thence Southerly parallel with and 5.00 feet East of the West line of said Section 22, a distance of 5082.10 feet to a point that lies 169.63 feet North and 5.00 feet East of the Southwest corner of said Section 22, said point also being the beginning of a 100.00 foot radius tangent curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $89^{\circ}47'10''$ , an arc distance of 156.71 feet; thence Westerly parallel with and 70.00 feet North of the South line of said Section 21 and tangent to last said curve, 2584.70 feet to a point that lies 70.00 feet North and 40.00 feet West of the South one-quarter corner of said Section 21; thence Southerly parallel with and 40.00 feet West of the North/South midsection line of said Section 21, a distance of 40.00 feet to a point in the North right-of-way line of Panama Lane and the end of said strip, said point also to be hereinafter referred to as Point "D".

Containing 10.8 acres more or less.

JAMES MAIN CANAL SYSTEM  
7-2 CANAL

BOOK 5159 PAGE 2251

"PARCEL 2"

All those portions of Sections 21, 28, 31, 32 and 33, T. 30 S., R. 26 E., M.D.M., Kern County, California, being a strip of land 60.00 feet wide, lying 30.00 feet on each side of the following described centerline:

Commencing at Point "D" of Parcel 1 hereinabove described; thence Southerly parallel with and 40.00 feet West of the North/South midsection line of said Section 21, a distance of 60.00 feet to a point in the South right-of-way line of Panama Lane, said point also being the True Point of Beginning; thence Southerly parallel with and 40.00 feet West of the North/South midsection line of said Section 28, a distance of 5252.52 feet to a point on the South line of said Section 28 lying 40.00 feet West of the South one-quarter corner of said Section; thence Southerly parallel with and 40.00 feet West of the North/South midsection line of said Section 33, a distance of 2503.67 feet to a point that lies 40.00 feet West and 139.22 feet North of the center of said Section 33, said Point also being the Beginning of a 100.00 foot radius tangent curve concave Northwesterly; thence Southwesterly along said curve through a central angle of  $89^{\circ}32'56''$ , an arc distance of 156.29 feet; thence Westerly parallel with and 40.00 feet North of the East/West midsection line of said Section 33 and tangent to last said curve, 2504.02 feet, more or less to a point on the West line of said Section 33, lying 40.00 feet North of the West one-quarter corner of said Section; thence Westerly parallel with and 40.00 feet North of the East/West midsection line of said Section 32, a distance of 5277.49 feet, more or less to a point in the West line of said Section 32, lying 40.00 feet North of the West one-quarter corner of said Section; thence Westerly parallel with and 40.00 feet

JAMES MAIN CANAL SYSTEM  
7-2 CANAL

BOOK 5159 PAGE 2252

"PARCEL 2" (continued)

North of the East/ West midsection line of said Section 31, a distance of 4411.57 feet to the beginning of a 100.00 foot radius tangent curve concave Northeast-erly; thence Northwest-erly along said curve through a central angle of  $48^{\circ}54'17''$ , an arc distance of 85.35 feet; thence Northwest-erly parallel with and 39.00 feet Northeast of the Northeast-erly right-of-way line of the Interstate Five Freeway and tangent to last said curve, 1380.00 feet, more or less to the West line of said Section 31 and the end of said strip.

Containing 29.7 acres more or less.



JAMES MAIN CANAL SYSTEM

BOOK 5159 PAGE 2253

TAIL WATER POND

All that portion of Section 36, T. 30 S., R. 25 E., M.D.M., Kern County, California, lying Northeast of the Northeasterly right-of-way line of the Interstate Five Freeway

Containing 25.14 acres more or less.

7. Exception\_10\_5353\_2351

RECORDING REQUESTED BY:

BOOK 5353 PAGE 2351

TOSCO CORPORATION

AGREEMENT NO. 21-27

AND WHEN RECORDED RETURN TO:

010007

1981 FEB 23 PM 8 20

Charles C. Werdel  
300 New Stine Road  
Suite 204  
Bakersfield, California 93309

RECORDED BY  
RAY A. VERA-CABRAN  
KERN COUNTY RECORDER

9.00 ORS  
1.00 NOEP  
7961 A 08723761 10.00 CASH

9	OR
1	MD
	LN

SECOND AMENDMENT OF  
PIPE LINE LICENSE AGREEMENT

THIS AGREEMENT, dated February 11, 1981, by and between TENNECO WEST, INC., a Delaware corporation, TENNECO REALTY DEVELOPMENT CORPORATION, a Delaware corporation, together hereinafter called "Tenneco", the CITY OF BAKERSFIELD, a municipal corporation hereinafter called "City", and TOSCO CORPORATION, a Nevada corporation, hereinafter called "Licensee",

WITNESSETH THAT:

WHEREAS, heretofore Kern County Land Company, predecessor in interest to Tenneco, and the Norwalk Company, predecessor in interest to Licensee, entered into a Pipe Line License Agreement dated January 26, 1951, whereby Tenneco, as owner, granted to Licensee the license to use certain real property in the County of Kern, State of California, for the purposes and subject to the terms and conditions set forth in said Pipe Line License Agreement; and

WHEREAS, by Amendment of said Pipe Line License Agreement dated October 25, 1968, said Agreement was modified in certain particulars; and

WHEREAS, Tenneco transferred certain real property to the City subject to said Pipe Line License Agreement; and

WHEREAS, the parties now desire to again amend said Pipe Line License Agreement in certain particulars.

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, the parties mutually agree as follows:

1. That the description of the premises contained in said Pipe Line License Agreement shall be and is hereby amended to delete said description in its entirety, the center line of which is described as follows:

Beginning at a point on the east line of Section 10, Township 31 South, Range 25 East, M.D.B. & M. distant thereon 919.24 feet north of the east quarter corner; thence North 89° 16' 14" West, 1,295.5 feet to the true point of beginning of this description; thence South 89° 16' 14" East, 1,889.62 feet; thence North 45° 09' 46" East, 14,087.20 feet; thence North 44° 57' East, 3,176.44 feet; thence North 45° 31' 21" East, 4,836.20 feet; thence South 89° 56' 06" East, 2,224.41 feet; thence North 46° 21' 30" East, 10,451.76 feet; thence North 35° 06' 30" East, 201.55 feet; thence North 49° 15' 30" East, 4,150.70 feet; thence North 40°

00' 30" East, 310.15 feet; thence North 49° 03' 15" East, 3,427.18 feet; thence North 58° 55' 15" East, 12,062.86 feet; thence North 49° 59' 15" East, 3,874.60 feet; thence North 0° 35' 45" West, 1,676.10 feet; thence North 73° 44' 15" East, 11,977.26 feet; thence North 0° 22' 45" West, 2,208.2 feet to a point on the south line of Section 25, Township 29 South, Range 27 East, distant thereon 1,310 feet west of the southeast corner; thence continuing North 0° 22' 45" West, 1,133.10 feet more or less to the south line of that certain real property owned by Tosco Corporation. All as shown on The Norwalk Company map dated November 1, 1949, attached to said Pipe Line License Agreement.

2. That the description of the premises contained in said Pipe Line License Agreement shall be and is hereby amended to substitute in the place of the premises described in paragraph 1 above and to include a strip of land 16½ feet in width, the center line which is described as follows:

Beginning at a point on the east line of Section 10, Township 31 South, Range 25 East, M.D.B. & M., distant thereon 919.24 feet north of the east quarter corner; thence North 89° 16' 14" West, 1,295.5 feet to the true point of beginning; thence South 89° 16' 14" East, 1,889.62 feet; thence North 45° 09' 46" East, 14,087.20 feet; thence North 44° 57' 00" East, 3,176.44 feet; thence North 45° 31' 21" East, 4,836.20 feet; thence South 89° 56' 06" East, 2,224.41 feet; thence North 45° 21' 30" East, 10,451.76 feet; thence North 36° 07' 46" East, 55.62 feet to a point on the south line of Section 16, Township 30 South, Range 26 East, M.D.B. & M., which is North 89° 03' 33" West, 452.39 feet from the southeast corner of said Section 16; thence continuing North 36° 07' 46" East, 137.42 feet; thence North 50° 16' 55" East, 495.17 feet to a point on the east line of said Section 16 which is North 01° 15' 41" East, 434.95 feet from the southeast corner of said Section 16; thence continuing North 50° 16' 55" East, 3,684.45 feet; thence North 41° 29' 43" East, 284.36 feet; thence North 49° 59' 53" East, 3,064.26 feet to a point on the west line of Section 14, Township 30 South, Range 26 East, M.D.B. & M., which is South 00° 55' 35" West, 260.91 feet from the northwest corner of said Section 14; thence continuing North 49° 59' 53" East, 347.68 feet; thence North 58° 08' 28" East, 63.76 feet to a point on the north line of said Section 14 which is South 89° 21' 07" East, 316.29 feet from the northwest corner of said Section 14; thence continuing North 58° 08' 28" East, 276.90 feet; thence North 59° 58' 09" East, 5,538.28 feet to a point which is 0.66 feet westerly of the west line of Section 12, Township 30 South, Range 26 East, M.D.B. & M.; thence North 00° 36' 15" East, 1,501.75 feet to a point which is 17.45 feet westerly of the west line of last said Section 12; thence North 65° 31' 18" East, 19.36 feet to a point on the West line of said Section 12 which is South 01° 14' 40" West, 866.75 feet from the northwest corner of said Section 12; thence continuing North 65° 31' 18" East, 2,005.59 feet to a point on the north line of said Section 12 which is South 88° 52' 23" East, 1,806.84 feet from the northwest corner of said Section 12; and North 88° 52' 23" West, 3,444.33 feet from the northeast corner of said Section 12; thence continuing North 65° 31' 18" East, 133.25 feet to a point in Section 1, Township 30 South, Range 26 East, M.D.B. & M.; thence North 65° 40' 11" East, 3,600.37 feet; thence North 28° 13' 08" East, 35.42 feet; thence North 73° 43' 51" East, 51.20 feet to a point on the east line of said Section 1 which is South 0° 50' 11" West, 1,003.98 feet from the east quarter corner of said Section 1 and North 0° 50' 11" East, 1,652.02 feet from the southeast corner of said Section 1; thence continuing North 73° 43' 51" East, 159.04 feet to a point in Section 6, Township 30 South, Range 27 East, M.D.B. & M.; thence North 46° 45' 32" East, 3,751.34 feet to a

point on the northeast wall of a redwood valve box; thence continuing North 46° 45' 32" East, 32.18 feet to a point; thence from the said point on the northeast wall of the redwood valve box South 79° 18' 41" East, 56.14 feet; thence, crossing the James Canal, North 50° 59' 30" East, 109.70 feet; thence North 44° 54' 01" East, 69.02 feet; thence, crossing the Kern River Canal, North 03° 39' 31" West, 154.12 feet; thence North 72° 28' 49" East, 163.28 feet; thence North 75° 32' 46" East, 2,117.75 feet; thence South 89° 03' 26" East, 15.99 feet; thence North 76° 54' 02" East, 88.95 feet to a point on the east line of said Section 6 which is South 00° 21' 58" West, 108.66 feet from the northeast corner of said Section 6; thence North 76° 58' 14" East, 226.05 feet to a point in Section 5, Township 30 South, Range 27 East, M.D.B. & M.; thence North 85° 37' 34" East, 91.03 feet; thence South 89° 06' 26" East, 1,278.41 feet; thence North 00° 53' 58" East, 45.14 feet to a point on the north line of said Section 5 which is South 89° 04' 45" East, 1,589.46 feet from the northwest corner of said Section 5 and North 89° 04' 45" West, 3,707.01 feet from the northeast corner thereof; thence continuing North 00° 53' 58" East, 90.85 feet to a point in Section 32, Township 29 South, Range 27 East, M.D.B. & M.; thence South 89° 02' 58" East, 100.14 feet; thence North 00° 29' 55" East, 138.12 feet; thence North 68° 34' 48" East, 200.12 feet; thence North 43° 40' 30" East, 78.85 feet; thence South 80° 59' 42" East, 243.70 feet; thence South 88° 17' 28" East, 402.35 feet; thence North 88° 16' 17" East, 310.00 feet; thence South 83° 11' 37" East, 83.37 feet; thence North 89° 52' 37" East, 558.76 feet; thence North 78° 18' 51" East, 209.93 feet; thence North 66° 52' 57" East, 208.34 feet; thence North 56° 55' 13" East, 183.63 feet; thence North 42° 06' 52" East, 122.86 feet; thence North 40° 06' 21" East, 518.27 feet; thence North 39° 37' 59" East, 1,105.27 feet; thence North 38° 29' 04" East, 193.70 feet to a point on the east line of said Section 32 which is South 00° 39' 48" West, 558.53 feet from the east quarter corner of said Section 32, and North 00° 39' 38" East, 2,082.46 feet from the southeast corner of said Section 32; thence continuing North 38° 29' 04" East, 227.24 feet to a point in Section 33, Township 29 South, Range 27 East, M.D.B. & M.; thence North 31° 39' 11" East, 133.46 feet; thence North 21° 15' 56" East, 214.40 feet; thence North 09° 28' 05" East, 247.63 feet; thence North 02° 47' 39" East, 342.20 feet; thence North 80° 02' 57" East, 435.21 feet; thence South 75° 06' 12" East, 2,296.10 feet; thence North 75° 01' 27" East, 1,021.55 feet; thence North 01° 30' 50" East, 2,261.61 feet; thence North 01° 03' 36" East, 52.48 feet to a point on the south line of Section 28, Township 29 South, Range 27 East, M.D.B. & M. which is North 89° 08' 54" West, 1,286.97 feet from the southeast corner of said Section 28, and South 89° 08' 54" East, 1,359.01 feet from the southwest quarter corner of said Section 28; thence continuing North 01° 03' 36" East, 1,133 feet, more or less, to the south line of said Section 28; being certain real property owned by Licensee. All as shown on sheets 1 and 2 of the Tosco Corporation map dated May 8, 1979, as revised May 12, 1980.

3. Tenneco and the City, as owners and as their respective interests may appear, hereby grant to Licensee the license to use the strip of land described in paragraph 2 above, for the purposes and subject to the terms and conditions set forth in said Pipe Line License Agreement. Licensee does hereby surrender and quitclaim to Tenneco and the City, as owners and as their respective interests may appear, all of its right, title, and interest under said Pipe Line License Agreement in and to the strip of land described in paragraph 1 hereof.

4. That the City shall be deemed to be an Owner within the context of the word "Owner" under said Amendment dated October 25,

1968 with respect to that portion of the premises and pipeline facilities described in paragraph 2 herein which is located on land owned by the City at the time of the execution of this Second Amendment of Pipeline License Agreement, subject to the following:

- a. The obligations of Licensee under said Amendment to the City are personal to the City; and such obligations of Licensee shall not otherwise run with the land.
- b. Whenever the City by written notice to Licensee shall require that all pipe and other property installed by the licensee be removed from the premises, or any specified portion thereof, and relocated between the same terminal points, then the Licensee shall promptly comply with such notice and restore the surface of the ground from which such removal is made to its natural contour and condition; provided, however, that the City shall specify the elevation or depth of the re-located pipeline from the surface and, for any horizontal relocation, shall provide the land and right-of-way in the vicinity of that portion of pipe or other property to be relocated. The term "vicinity" as used herein shall be deemed to include land and right-of-way within a distance of one hundred twenty feet of the location from which removal is made.
- c. Whenever this City by such written notice requires Licensee to relocate pipe or other property as aforesaid, then Licensee shall bear the cost and expense associated therewith on the first, and only the first, departure of that portion of the pipeline to be relocated from the existing elevation or depth or from the premises described in paragraph 2. Any subsequent relocation of any portion of the pipeline previously relocated shall be at the expense and cost of the City.
- d. Nothing in this paragraph 4 shall change, alter or amend the obligations of Licensee to and the rights of Tenneco under either said Amendment dated October 25, 1968 or said Pipeline License Agreement dated January 26, 1951.

5. That except as otherwise expressly herein amended, each and every term, covenant, condition, and provision contained in said Pipe Line License Agreement as amended shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement, in triplicate as of the date first hereinabove written.



TENNECO WEST, INC.

BY Melvin Jones  
Vice President

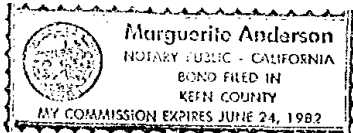




known to me to be the Assistant City Manager-Finance of the CITY OF BAKEPSFIELD the Public Entity that executed the within Instrument, known to me to be the persons who executed the within Instrument, on behalf of the Public Entity herein named, and acknowledged to me that such Public Entity executed the within Instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

*Marguerite Anderson*  
Notary Public in and for said State.





**ATTACHMENT**

**Attached is the document you (or someone on your behalf) requested. As required by Section 12956.1(b)(1) of the California Government Code, please take note of the following:**

**“If the document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, disability, handicap, national origin, genetic information, gender, gender identity, gender expression, source of income (as defined in California Government Code § 12955(p)) or ancestry, that restriction violates state and federal fair housing laws is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.”**

STATE OF CALIFORNIA  
THE RESOURCES AGENCY  
DEPARTMENT OF WATER RESOURCES

RECORDINGS REQUESTED BY

TICOR TITLE INSURANCE CO.

WHEN RECORDED MAIL TO  
DEPARTMENT OF WATER RESOURCES

P. O. Box 388  
Sacramento, California 95802

025340

BOOK 6158 PAGE 1098

1989 AUG 31 A 0:00

RECORDED BY GALE S. ERSTAD  
KERN COUNTY CLERK-RECORDER

ORS .00  
FREE REC .00

#525390 0001 R01 T1

SPACE ABOVE THIS LINE FOR RECORDER'S USE

<input checked="" type="checkbox"/>	OR
<input type="checkbox"/>	MD
<input type="checkbox"/>	LN
<input type="checkbox"/>	RF
<input type="checkbox"/>	NA

**GRANT DEED  
(CORPORATION)**

Project KERN WATER BANK

Parcel No. KWB-2

TENNECO WEST, INC.,

a corporation organized and existing under and by virtue of the laws of the State of Delaware

does hereby GRANT to the STATE OF CALIFORNIA all that real property in the \_\_\_\_\_

County of Kern, State of California, ~~described as~~ identified in

records of the Department of Water Resources as:

<u>DWR Parcel No.</u>	<u>Area</u>	<u>Estate</u>
-----------------------	-------------	---------------

<u>KWB-2</u>	<del>19,883</del> acres	<u>Fee</u>
--------------	-------------------------	------------

described as follows:

19,883

*Handwritten initials: MJ, DK*

(In the event of any discrepancy between the above identification and the real property described herein, the real property described will control.)

DWR 547 (Rev. 4/83)  
JUL 15 1988

Page 1

007-75 10/83 1 of 008 547 - 007

BOOK 6158 PAGE 1099

KWB-2 consists of the following DWR Parcels and Units:

KRGW-1	UNIT A	4,334 acres	
	UNIT B	2,556 acres	
	UNIT C	2,281 acres	
KRGW-3	UNIT A	706 acres	
	UNIT B	3,420 acres	
KRGW-5		65 acres	
KRGW-7	UNIT A	157 acres	
	UNIT B	583 acres	
KRGW-9	UNIT A	6 acres	
KRGW-11	UNIT A	1,678 acres	<i>OK</i>
		<sup>6</sup>	
		<sup>5</sup>	
KRGW-13	UNIT A	214 acres	<i>OK</i>
	UNIT B	25 acres	
		<sup>7</sup>	
KRGW-15	UNIT A	1,378 acres	<i>OK</i>
KRGW-17	UNIT A	<del>823</del> acres	
		812	
KRGW-19	UNIT A	1,497 acres	
	UNIT B	7 acres	
KRGW-30	UNIT A	160 acres	
	UNIT B	6 acres	
TOTAL AREA DESCRIBED -		<del>19,398</del> acres	<i>OK</i>
		19,883	

JUL 15 1988

All that certain real property situate in the unincorporated area of the County of Kern, State of California:

KRGW-1

UNIT A:

Consisting of Units A1 through A9 described as follows:

Unit A1:

Section 12, Township 30 South, Range 24 East, Mount Diablo Meridian, according to the Official Plat thereof, and containing an area of 640 acres, more or less.

Unit A2:

Section 13, Township 30 South, Range 24 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING the Southwest quarter of the Southwest quarter of said Section, and containing an area, after said exception, of 602 acres, more or less.

Unit A3:

The Northeast quarter, the Northeast quarter of the Southeast quarter, and the East half of the Northwest quarter of Section 24, Township 30 South, Range 24 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion of said Section 24 described in deed to the State of California, recorded January 23, 1933, Book 458, Page 481, Official Records of said County.

Containing an area, after said exception, of 255 acres, more or less.

Unit A4:

Those portions of the South half of Sections 5 and 6, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County, and containing an area of 370 acres, more or less.

Unit A5:

Section 7, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, and containing an area of 653 acres, more or less.

Unit A6:

That portion of Section 8, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County.

JUL 15 1988

BOOK 6158 PAGE 1101

EXCEPTING THEREFROM that portion described as Cross Valley Canal in the FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area, after said exception, of 546 acres, more or less.

Unit A7:

That portion of Section 17, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northwesterly of the Northwesterly property line of the lands of the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in the FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area of 323 acres, more or less.

Unit A8:

Section 18, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 650 acres, more or less.

Unit A9:

That portion of Section 19, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northwesterly of the Northwesterly property line of the lands of Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in the FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area of 295 acres, more or less.

Total area contained in said UNIT A1 through A9 is 4334 acres, more or less.

UNIT B:

Consisting of Units B1 through B9 described as follows:

Unit B1:

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPTING THEREFROM that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1 in FINAL ORDER OF

JUL 15 1988

BOOK 6158 PAGE 1102

CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area, after said exception, of 85 acres, more or less.

Unit B2:

That portion of Section 15, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of said County, containing an area of 154 acres, more or less.

Unit B3:

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPTING THEREFROM that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area, after said exception, of 591 acres, more or less.

Unit B4:

That portion of Section 17, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southeasterly of the Southeasterly property line of the lands of Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area, after said exception, of 281 acres, more or less.

Unit B5:

That portion of Section 19, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southeasterly of the Southeasterly property line of the lands of Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area, after said exception, of 331 acres, more or less.

JUL 15 1988

BOOK 6158 PAGE 1103

Unit B6:

Section 20, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion lying Northwesterly of the Southeasterly property line of the lands of the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area, after said exception, of 642 acres, more or less.

Unit B7:

The North half of Section 21, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 320 acres, more or less.

Unit B8:

That portion of the Northeast quarter of Section 22, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

Containing an area of 138 acres, more or less.

Unit B9:

That portion of the Northwest quarter of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPTING THEREFROM that portion described in deed to West Kern Water District, recorded August 22, 1988, Book 6155, Page 1405, Official Records of said County.

Containing an area of 14 acres, more or less.

Total area contained in UNITS B1 through B9 is 2556 acres, more or less.

UNIT C:

Consisting of Units C1 through C6 described as follows:

Unit C1:

The Northwest quarter of Section 26, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

JUL 15 1988

EXCEPTING the East half of the East half of said Northwest quarter, containing an area, after said exception, of 120 acres, more or less.

Unit C2:

Section 27, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 638 acres, more or less.

Unit C3:

The Northeast quarter of Section 28, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 160 acres, more or less.

Unit C4:

Section 34, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 639 acres, more or less.

Unit C5:

Section 35, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 639 acres, more or less.

Unit C6:

That portion of the South half of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPTING THEREFROM that portion described in deed to West Kern Water District, recorded August 22, 1988, Book 6155, Page 1405, Official Records of said County.

Containing an area, after said exception, of 85 acres, more or less.

Total area contained in said UNITS C1 through C6 is 2281 acres, more or less.

AUG 12 1988



KRCW-3

UNIT A:

Consisting of Units A1 through A7 described as follows:

Unit A1:

The South half of Section 3, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion lying Southerly of the Northerly property line of the land of the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 55 acres, more or less.

Unit A2:

Section 4, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM Parcel 1 as shown on Amended Parcel Map No. 1450, filed February 6, 1974, in the Office of the County Recorder of Kern County, State of California.

ALSO EXCEPTING THEREFROM the Northwest quarter of said Section 4.

ALSO EXCEPTING THEREFROM that portion lying Southeasterly of the Northwesterly property line of the land of the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 252 acres, more or less.

Unit A3:

That portion of the South half of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeastly of the Northeastly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPTING THEREFROM the Southeast quarter of the Southeast quarter of said Section 5.

Containing an area, after said exceptions, of 212 acres, more or less.

JUL 15 1988

BOOK 6158 PAGE 1106

Unit A4:

*OK mjd*

~~An undivided 13/20ths interest in the Southeast quarter of the Southeast quarter of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, according to th Official Plat thereof.~~

EXCEPTING THEREFROM all oil, gas, and other minerals contained within the property hereinabove described.

Containing an area, after said exception, of 40 acres, more or less.

Unit A5:

That portion of the Southeast quarter of Section 6, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 2 acres, more or less.

Unit A6:

That portion of Section 8, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 70 acres, more or less.

Unit A7:

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPTING THEREFROM those portions lying Southeasterly of the Northwesterly property line of the land of the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1 in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 75 acres, more or less.

The total area contained within Unit A1 through A7, after said exceptions, is 706 acres, more or less.

JUL 15 1988

UNIT B:

Consisting of Units B1 through B10, described as follows:

Unit B1:

Section 3, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion lying Northerly of the Southerly property line of the land of the Kern County Water Agency, a political subdivision of the State of California, described as the Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 245 acres, more or less.

Unit B2:

Section 4, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion lying Northwesterly of the Southeasterly property line of the land of the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 59 acres, more or less.

Unit B3:

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPTING THEREFROM those portions lying Northwesterly of the Southeasterly property line of the land of the Kern County Water Agency, a political subdivision of the State of California, described as the Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1 in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 430 acres, more or less.

JUL 15 1988

BOOK 6158 PAGE 1108

Unit B4:

Section 10, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

Containing an area of 638 acres, more or less.

Unit B5:

Section 11, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

Containing an area of 638 acres, more or less.

Unit B6:

Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM the North 385 feet of the West 415 feet being more particularly described in deed to Pacific Gas and Electric Company, recorded May 4, 1962, Book 3522, Page 349, Official Records of said Kern County.

Containing an area, after said exception, of 634 acres, more or less.

Unit B7:

That portion of Section 15, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 451 acres, more or less.

Unit B8:

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 32 acres, more or less.

Unit B9:

That portion of the Northeast quarter of Section 22, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 11 acres, more or less.

JUL 15 1988

Unit B10:

BOOK 6158 PAGE 1109

That portion of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the California State Highway Number 5, as described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPTING THEREFROM that portion lying Southerly of the Northerly property line of Parcel 2, as described in the deed to the City of Bakersfield, recorded December 30, 1976, Book 4999, Page 436, Official Records.

Containing an area, after said exception, of 282 acres, more or less.

The total area contained within UNITS B1 through B10, after said exceptions, is 3420 acres, more or less.

KRGW-5

UNIT A:

That portion of the South half of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the California State Highway Number 5, described as Parcel 2, in the deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPTING THEREFROM that portion described as Parcel 1 in said deed to the State of California.

ALSO EXCEPTING THEREFROM that portion described in deed to the City of Bakersfield, a Municipal Corporation, recorded December 30, 1976, Book 4999, Page 436, Official Records.

Containing an area, after said exceptions, of 65 acres, more or less.

KRGW-7

UNIT A:

That portion of the West half and the Southeast quarter of Section 25, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly and Southwesterly of the Southwesterly boundary of State Highway Number 5, described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 157 acres, more or less.

JUL 15 1988

BOOK 6158 PAGE 1110

UNIT B:

That portion of Section 36, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly boundary of State Highway Number 5, described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPTING THEREFROM the West half of the Southwest quarter of the Southwest quarter of said Section 36.

Containing an area, after said exception, of 583 acres, more or less.

The total area contained in UNIT A and UNIT B is 740 acres, more or less.

KRGW-9

UNIT A:

That portion of the Northwest quarter of Section 31, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly boundary line of the State Highway Number 5, described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of Kern County.

Containing an area, after said exception, of 6 acres, more or less.

KRGW-11

UNIT A:

Consisting of Units A1 through A4, described as follows:

Unit A1:

Section 28, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM the Northwest quarter, the Northwest quarter of the Southwest quarter, the Northwest quarter of the Northeast quarter of the Southwest quarter, and the Northwest quarter of the Southwest quarter of the Southwest quarter of said Section.

Containing an area, after said exception, of 420 acres, more or less.

Unit A2:

That portion of the North half of Section 31, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the State Highway Number 5, described in deed to the State of California, recorded March 14, 1967, Book 4037, Page 193, Official Records.

EXCEPTING THEREFROM the Northeast quarter of the Northwest quarter of the Northwest quarter, the Northeast quarter of the Northwest quarter, the Northeast quarter of the Southeast quarter of the Northwest quarter, the

JUL 15 1988

BOOK 6158 PAGE 1111

Northwest quarter of the Northeast quarter, the Northeast quarter of the Northeast quarter and the North half of the South half of the Northeast quarter of said Section.

Containing an area, after said exception, of 134 acres, more or less.

Unit A3:

Section 32, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM the North half of the South half of the Northwest quarter, the Southwest quarter of the Northwest quarter of the Northeast quarter, the North half of the Northwest quarter, the Northwest quarter of the Northeast quarter of the Northeast quarter, and the North half of the Northwest quarter of the Northeast quarter of said Section.

Containing an area, after said exception, of 480 acres, more or less.

Unit A4:

Section 33, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof.

Containing an area of 641 acres, more or less.

The total area contained in Units A1 through A4 is 1675 acres, more or less.

KRGW-13

UNIT A:

That portion of Section 25, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the State Highway Number 5, described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records of Kern County.

EXCEPTING THEREFROM the Northeast quarter, the Northeast quarter of the Southeast quarter, the Northeast quarter of the Northwest quarter of the Southeast quarter, and the Northeast quarter of the Southeast quarter of the Southeast quarter of said Section.

Containing an area, after said exceptions, of 214 acres, more or less.

UNIT B:

That portion of Section 36, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Northeasterly of the Northeasterly property line of the State Highway Number 5, described in deed to the State of California, recorded March 24, 1967, Book 4037, Page 193, Official Records.

JUL 15 1988

Containing an area of 25 acres, more or less.

The total area contained in UNIT A and UNIT B, after said exception, is 239 acres, more or less.

KRGW-15

UNIT A:

Consisting of Units A1 through A4, described as follows:

Unit A1:

That portion of Section 24, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Southerly property line of the lands of the City of Bakersfield, as described in deed, recorded December 30, 1976, Book 4999, Page 436, Official Records of Kern County.

EXCEPTING THEREFROM that portion of said Section 24 granted to the State of California for freeway purposes by deed, recorded March 24, 1967, Book 4037, Page 193, of said Official Records, more particularly described therein.

ALSO EXCEPTING THEREFROM the Southeast quarter of the Southeast quarter, and the Southeast quarter of the Southwest quarter of the Southeast quarter of said Section.

Containing an area, after said exceptions, of 328 acres, more or less.

Unit A2:

All that portion of Section 17, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Northerly line of the Kern River Canal right of way, as said canal is described in Grant Deed, recorded December 30, 1976, Book 4999, Page 431, Official Records of said Kern County.

Containing an area of 168 acres, more or less.

Unit A3:

All that portion of Section 19, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Northerly line of the Kern River Canal right of way, as said canal is described in deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

EXCEPTING THEREFROM the South half of the South half of the South half, and the Northwest quarter of the Southwest quarter of the Southwest quarter of said Section.

Containing an area, after said exception, of 421 acres, more or less.

JUL 15 1988



Unit A4:

BOOK 6158 PAGE 1113

All that portion of Section 20, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Northerly line of the Kern River Canal right of way as said canal is described in deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

EXCEPTING THEREFROM the South half of the Southeast quarter, the Southeast quarter of the Northwest quarter of the Southeast quarter, the South half of the Northeast quarter of the Southeast quarter, the South half of the South half of the Southwest quarter, the North half of the Southeast quarter of the Southwest quarter, and the Northeast quarter of the Southwest quarter of the Southwest quarter of said Section.

Containing an area, after said exception, of 460 acres, more or less.

The total area contained in UNITS A1 through A4 is 1377 acres, more or less.

KRGW-17

UNIT A:

Consisting of Units A1 through A3 described as follows:

Unit A1:

All of Section 13, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM the South half of the Southeast quarter of said Section 13.

ALSO EXCEPTING THEREFROM the South 1000 feet of the West 1000 feet of the Southwest quarter of the Northwest quarter of said Section 13, containing an area, after said exceptions, of 540 acres, more or less.

Unit A2:

The Northwest quarter of the Northwest quarter and the West half of the West half of the Northeast quarter of the Northwest quarter of Section 24, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 50 acres, more or less.

Unit A3:

The North half of Section 18, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM the Easterly 1700 feet of the South half of the South half of the Northwest quarter, the South half of the South half of the

AUG 12 1988

*RRP for DMK MD*

BOOK 6158 PAGE 1114

northeast quarter, the Easterly 900 feet of the Northeast quarter of the Northeast quarter, and the Easterly 900 feet of the North half of the Southeast quarter of the Northeast quarter of said Section 18, containing an area, after said exception, of 222 acres, more or less.

The total area contained in said UNITS A1 through A3 is 812 acres, more or less.

KRGW-19

UNIT A:

Consisting of Units A1 through A3 described as follows:

Unit A1:

The South half of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion lying Northerly of the Southerly property line of the land conveyed to the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area, after said exception, of 299 acres, more or less.

Unit A2:

All of Section 12, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof.

EXCEPTING THEREFROM the South half of the Southwest quarter of said Section, containing an area, after said exception, of 561 acres, more or less.

Unit A3:

That portion of Section 7, Township 30 East, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as granted to Southern Pacific Railroad Company, a corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds, Records of said County.

Containing an area, after said exception, of 637 acres, more or less.

UNIT B:

That portion of the South half of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying

AUG 12 1988

*RAG  
for  
DWK m j*

northerly of the Northerly property line of the lands conveyed to the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area, after said exception, of 7 acres, more or less.

Total area contained within UNIT A and UNIT B is 1504 acres, more or less.

KRGW-30

UNIT A:

That portion of the South half of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as granted to the Southern Pacific Railroad Company, a corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds.

EXCEPTING THEREFROM that portion lying Northerly of the Southerly property line of the lands conveyed to the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 160 acres, more or less.

UNIT B:

That portion of the South half of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southwesterly of the Southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as granted to the Southern Pacific Railroad Company, a corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds.

EXCEPTION THEREFROM that portion lying Southerly of the Northerly property line of the lands conveyed to the Kern County Water Agency, a political subdivision of the State of California, described as Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 6 acres, more or less.

The total area contained within UNIT A and UNIT B is 166 acres, more or less.

Bearings and distances used in the above deascription are based on the California Coordinate System, Zone V, 1927.

AUG 12 1988



*RPM for [Signature]*

BOOK 6158 PAGE 1116

EXCEPTING AND RESERVING to Grantor, its successors and assigns, forever, provided, however, that:

a. While reserving the rights set forth below, Grantor recognizes that: (i) the property conveyed is to be used for extraction and recharge of potable water and to restore portions of the real property to its natural state; and (ii) that Grantee will be installing ponds, canals, and other similar facilities on the property conveyed, and, accordingly, Grantor shall not unduly interfere with the anticipated operations of Grantee.

b. Grantor, or its successors and assigns, upon being provided proof thereof, shall compensate Grantee, or its successors and assigns, for any and all actual damage to structures upon said real property and for any increased operating costs incurred by Grantee, its successors and assigns, as the result of such damage which is caused by the exercise of the rights excepted and reserved herein;

c. Grantor, its successors and assigns, shall exercise the rights herein reserved in a manner which will protect its facilities from damage by Grantee's water spreading operations on said real property;

d. Grantor, its successors and assigns, shall conduct all operations under this reservation in accordance with either (i) then applicable Federal, State, and/or local regulations, or (ii) current applicable Federal, State, and/or local regulations, whichever shall be more stringent, at the time of such operations; and

e. Grantee shall have the right, at any and all reasonable times, to inspect Grantor's operations or work in progress.

1. All oil, gas, and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous) which are upon, in, under, or may be produced from said real property; all salt water (water containing over 10,000 p.p.m. T.D.S.) which is in, under, or may be produced from said real property.
2. The exclusive right, by whatever methods now or hereafter known, as Grantor, or its successors or assigns, may deem advisable, at all times and without charge, to prospect for, investigate for, explore for, drill for, produce, mine, extract, remove, and reduce to possession and ownership, all such minerals and salt water (water containing over 10,000 p.p.m. T.D.S) (excluding, however, sand and gravel) which are upon, in, under, or may be produced from said real property, the exclusive right to drill into and through said real property to explore for and thereafter produce and extract minerals which may be produced from adjacent real property; the right to lay, construct, erect, and place upon and in said real property and use, maintain, and operate thereon and thereafter remove all buildings, tanks, pressure plants, and other machinery, fixtures, and equipment, pipelines, telephone lines, electric power lines, roads, powerhouses, or other structures and facilities as Grantor, or its successors and assigns, may deem advisable for the exercise and enjoyment of the rights herein excepted and reserved. In

JUL 15 1988

exercising its rights hereunder, Grantor shall take all reasonable precautions to avoid contamination of, or damage to, any fresh water aquifer;

3. The exclusive right at all times and without charge to treat, process, (but not refine) store upon, and remove from said real property such minerals and salt water;
4. The exclusive right, at all times and without charge, to produce and extract such minerals by repressuring the subsurface sands and strata with fluids or gases or by such other method or methods as Grantor, or its successors or assigns, may deem advisable, and to inject and store and thereafter remove such fluids and gases, whether or not indigenous to said real property;
5. The exclusive right, at all times and without charge, to utilize for the benefit of Grantor and third parties the surface of said real property for the construction, maintenance, operation, use, repair, replacement, or removal of oil, gas, and water pipelines, telephone, telegraph, and power lines, and other structures over and across said real property, the aforementioned pipelines, telephone, telegraph and power lines being necessary, incidental to, or convenient in exploring for, producing and extracting the minerals underlying the lands in the vicinity of said real property. In acting under this reservation, Grantor shall utilize its best efforts to provide maps of existing pipelines and roads and shall advise Grantee of the location of any new pipelines or roads known to it;
6. The right, at all times and without charge, to investigate for, explore for, drill for, produce, remove, and reduce to possession and ownership, up to 50,000 barrels per day of fresh water (containing less than 10,000 p.p.m. T.D.S.) from aquifers underlying said real property deemed necessary by Grantor, or its successors or assigns, to use in prospecting, exploring, drilling, mining, producing, extracting and removing (including, but not limited to, use in unit operations, water flooding, thermal extraction of minerals, or other secondary recovery methods now or hereafter known), or other operations in connection with the full enjoyment and exercise of the rights herein excepted and reserved, provided, however, that all such water may be used only upon the land subject to this reservation;
7. The right, at all times and without charge, to exercise all rights herein excepted and reserved and any and all rights upon said real property as Grantor, its successors or assigns, deem necessary, incidental to, or convenient, whether alone or jointly with adjacent lands to the extent it is reasonable to do so, in exploring for, producing, and extracting the minerals and salt water herein excepted and reserved; and
8. The right, at all times and without charge, of access to said minerals, fresh water, and salt water, and of ingress and egress to and from, over and across said real property for all purposes deemed necessary by Grantor, its successors and assigns, in the exercise of the rights excepted and reserved herein.

JUL 15 1988

BOOK 6158 PAGE 1118

9. Grantor in exercising its reserved rights hereunder and grantee in the exercising of its fee interest in the subject property shall each notify the other as early as possible, but not later than 15 working days, prior to the commencement of any such exercise of its rights in the property, of the location and nature of such exercise, and, where appropriate, provide copies of plans and specifications for such work.

-21-

JUL 15 1988

BOOK 6158 PAGE 1119

Together with all of the Grantor's right, title and interest in and to all water and water rights, whether surface or subsurface, or of any other kind, including all appurtenant water and water rights, and all water and water rights in any way incident to the real property herein described, or used thereon or in connection therewith, and all other appurtenant rights and easements pertaining to said real property.

IN WITNESS WHEREOF, said corporation has caused its corporate name to be hereunto subscribed and its corporate seal to be affixed hereto, this 20th day of July, 1988.



TENNECO WEST, INC.

By Melvin Jans SENIOR VICE PRESIDENT/President  
By Wayne E. Broomer ASSISTANT SECRETARY/Secretary

[CORPORATE SEAL]

STATE OF CALIFORNIA

COUNTY OF Kern } ss.

On July 28, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Melvin Jans

personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the

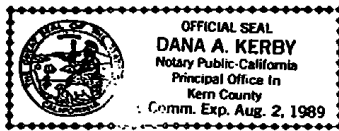
Sr. Vice President, and Wayne E. Broomer

personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Assistant Secretary Secretary of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of its board of directors.

WITNESS my hand and official seal.

Signature Dana A. Kerby

[Seal]



(CERTIFICATE OF ACCEPTANCE, GOVERNMENT CODE, SECTION 27281)

This Is To Certify, That the State of California, grantee herein, acting by and through the Department of Water Resources, hereby accepts for public purposes the real property, or interest therein, described in the within deed and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of August, 1988




Director of Water Resources  
By [Signature]  
Director, Water Resources  
Attorney in Fact

JUL 15 1988

788-127-A

Page 22

9. Exception\_12\_0196049557

<p>RECORDING REQUESTED BY</p> <p><b>KERN COMMUNITY COLLEGE DISTRICT</b></p> <p>AND WHEN RECORDED MAIL TO</p> <p>Kern Community College District  c/o Bowie, Arneson et al.  Attn: William J. Kadi  4920 Campus Drive  Newport Beach, CA 92660</p>	<p>James Maples Assessor Recorder  Kern County Official Records</p> <p>DOCUMENT #: 0196049557</p>  <p>Stat Types 1</p>	<p>JASON  Pages 3  4.17.1996  14 22 00</p> <p>Fees 3 00  Taxes  Other  TOTAL PAID 13 00</p> <p><b>THIS SPACE FOR RECORDER'S USE ONLY</b></p>
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**NOTICE OF ASSESSMENT**

Kern Community College District  
Assessment District

Pursuant to the requirements of Section 3114 of the Streets and Highways Code, the undersigned Clerk of the Board of Trustees of the Kern Community College District, County of Kern, State of California, hereby gives notice that a diagram and assessment were recorded in the office of the County Recorder of the County of Kern and the Kern County Auditor's Office as provided for in Section 3114 of the Streets and Highways Code, relating to the following described real property:

The real property located within the Kern Community College District and subject to this Notice of Assessment is described: (1) by reference to that proposed Boundary Map recorded with the Kern County Recorder's Office on March 8, 1996, as Instrument No. 1996-030644, and (2) by reference to that Assessment Diagram filed with the Kern County Auditor's Office and recorded with the Kern County Recorder's Office in Book 12 of Maps of Assessment and Community Facilities at Pages 173-178, inclusive, on April 5, 1996.

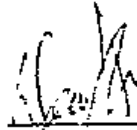
Notice is further given that upon the recording of this Notice of Assessment in the office of the Kern County Recorder, the several assessments assessed on the lots, pieces, and parcels shown in the filed Assessment Diagram shall become a lien upon the lots or portions of lots assessed, respectively

BAK W&G REA 27991  
10016 11



Reference is hereby made to that Assessment Diagram and Assessment Rule recorded in the office of the County Auditor for the County of Kern, State of California.

DATED 4/11, 1996

  
\_\_\_\_\_  
Clerk of the Board of Trustees of the  
Kern Community College District

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF KERN )

On 4/11/96 before me, CYNTHIA C MUÑOZ,  
NOTARY PUBLIC (here insert name and title of the officer), personally appeared  
DENNIS J WILSON, personally known to me (~~or 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~~<sup>they</sup> executed the same in his/~~her/their~~  
authorized capacity(~~s~~), 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.

WITNESS my hand and official seal.

Signature Cynthia C. Muñoz (SEAL)



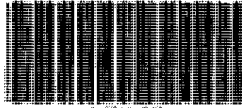
10. Exception\_13\_0196101605

James Maples-Assessor-Recorder  
Kern County Official Records

SABRINA  
Pages: 41  
8/09/1996  
8 00 00

RECORDING REQUESTED BY  
CHICAGO TITLE COMPANY, ORDER 648002 1111

DOCUMENT #: 0196101605



WHEN RECORDED MAIL TO:

DEPARTMENT OF WATER RESOURCES  
Division of Land and Right of Way  
Real Estate Branch  
1416 9th Street, Room 431  
Sacramento, California 95814

Fees  
Taxes  
Other

Stat Types I TOTAL PAID

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DIRECTOR'S DEED**

Project KERN WATER BANK TRYS 00-B

Parcel No. KWD-2-AR, KWB-4-B, KWB-5-A,  
KRGW-29-A, KRGW-35-B, and KRGW-34-C  
H-9M-210, 211, 212, 213, and H-9A-243

The STATE OF CALIFORNIA, acting by and through its Director of Water Resources, grants to

KERN COUNTY WATER AGENCY, a public agency

all that real property in the County of Kern

State of California, described as:

(This conveyance affects the following Kern County Tax Assessor's Parcel(s):)

Assessor's Parcel Numbers

159-010-02	160-090-01
159-180-03	160-090-02
159-180-04	160-090-03
160-010-12	160-100-04
160-010-13	160-100-05
160-010-14	160-100-07
160-010-17	160-100-08
160-010-24	160-100-09
160-010-26	160-100-10
160-010-38	160-110-10
160-010-40	160-110-13
160-010-41	160-120-05
160-010-43	160-120-12
160-020-04	160-120-16
160-020-06	160-120-17
160-020-08	160-120-18
160-030-10	160-120-20
160-030-12	160-120-22
160-030-14	160-120-25
160-040-01	160-120-39
160-040-02	160-120-40
160-040-03	160-130-03
160-050-01	160-130-07
160-050-04	160-140-03
160-060-01	160-140-04
160-060-02	160-140-15
160-060-03	160-140-18
160-060-04	160-170-03
160-060-05	160-170-04
160-060-07	160-180-01
160-060-09	160-180-02
160-060-15	160-180-04
160-060-17	161-030-08
160-060-18	161-030-23
160-060-19	161-030-24
160-060-20	161-030-42
160-060-21	161-040-02
160-070-02	161-040-09
160-070-03	161-040-10
160-070-04	161-040-11
160-070-06	161-040-13
160-070-10	161-040-20
160-070-11	161-040-26
160-070-14	161-090-01
160-070-19	161-090-07
160-070-20	161-090-10
160-070-22	161-100-13
160-070-28	161-100-25
160-080-01	161-160-02
160-080-02	161-180-04
160-080-03	161-180-12
160-080-04	161-190-05

Assessor's Parcel Numbers - Continued

161-190-07  
161-190-09  
161-190-10  
161-190-11  
408-120-06  
408-120-07  
104-240-44

.NOV 21 1995

KWB-2-AR

All that certain real property situate in the unincorporated area of the County of Kern, State of California, described in Deeds to the STATE OF CALIFORNIA, recorded August 31, 1988, Book 6158, Pages 1098 through 1119; recorded March 22, 1990, Book 6360, Pages 1923 through 1925; March 7, 1990, in Book 6354, Pages 998 through 1000; and March 7, 1990, Book 6354, Pages 989 through 991, all of Official Records in the Office of the County Recorder of said Kern County, being more or less described herein as follows:

PARCEL 1: (KRGW-1 UNIT A Unit A1) (APN 159-010-02)

Section 12, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, and containing an area of 640 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158 Page 1098, Official Records.

PARCEL 2: (KRWG-1 UNIT A Unit A2) (APN 159-180-03)

Section 13, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING the Southwest quarter of the Southwest quarter of said Section, and containing an area, after said exception, of 602 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

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PARCEL 3: (KRGW-1 UNIT A Unit A3) (APN 159-180-04)

The Northeast quarter, the Northeast quarter of the Southeast quarter, and the East half of the Northwest quarter of Section 24, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion of said Section 24 described in deed to the State of California, recorded January 23, 1933, Book 458, Page 481, Official Records of said County, described as follows:

BEGINNING at the Northwest corner of the Southeast quarter of the Northwest quarter of said Section 24, and thence South 51° 52' East a distance of 2130 feet, more or less, to a point on the South line of the North half of said Section 24; thence West along said South line a distance of 1572.8 feet to the Southwest corner of said Southeast quarter of the Northwest quarter of said Section 24; and thence North along the West line of said Southeast quarter of the Northwest quarter of said Section 24 to the Point of Beginning.

Containing an area, after said exception, of 255 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 4: (KRGW-1 UNIT A Unit A8) (APN 160-090-01, 160-090-02)

Section 18, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 650 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 5: (KRGW 1 UNIT A Unit A9 and UNIT B Unit B5) (APN 160-100-08, 160-100-07, 160-100-02)

Section 19, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area of 626 acres, more or less.

ALSO EXCEPT from the East half of the Southeast quarter of the Southwest quarter of the Southwest quarter, the Southwest quarter of the Southeast quarter of the Southwest quarter of the Southwest quarter, and the West half of the Southeast quarter of the Southwest quarter of said Section, all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this MINERAL GRANT DEED shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove, and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 6: (KRGW-1 UNIT A Unit A4) (APN 160-030-14 Ptn.)

That portion of the South half of Section 6, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the State Highway as granted to the State of



California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County, and containing an area of 319 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 7: (KRGW-1 UNIT A Unit A4) (APN 160-030-14, 160-030-12 Ptn.)

That portion of the Southwest quarter of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southwesterly of the Southwesterly line of State Highway as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County, and containing an area of 52 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 8: (KRGW-1 UNIT A Unit A5) (APN 160-040-01, 160-040-02)

Section 7, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, and containing an area of 653 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

NOV 21 1995

the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 9: (KRGW-1 UNIT A Unit A6) (APN 160-040-03 Ptn.)

That portion of Section 8, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County.

EXCEPT those portions conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1, by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302, a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, of Official Records.

Containing an area, after said exception, of 546 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 10: (KRGW-1 UNIT B Unit B1) (APN 160-050-01 Ptn.)

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPT those portions conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1 by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, in Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 85 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word

NOV 21 1995

and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 11: (KRGW-1 UNIT A Unit A7 and UNIT B Unit B4) (APN 160-090-03)

Section 17, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by the FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, in Book 5421, Page 1531, Official Records.

Containing an area of 604 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 12: (KRGW-1 UNIT B Unit B3) (APN 160-080-01 Ptn.)

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 591 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word

NOV 21 1995

"minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 13: (KRGW-1 UNIT B Unit B2) (APN 160-080-02 Ptn.)

That portion of Section 15, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records, containing an area of 154 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 14: (KRGW-1 UNIT B Unit B6) (APN 160-100-09, 160-100-10, 160-100-04, 160-100-05)

Section 20, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302, a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 642 acres, more or less.

ALSO EXCEPT from the Southwest quarter of the Southeast quarter of the Southwest quarter and the South half of the Southwest quarter of the Southwest quarter of said Section, all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products,

both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 15: (KRGW-1 UNIT B Unit B7) (APN 160-110-13)

The North half of Section 21, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 320 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 16: (KRGW-1 UNIT B Unit B8) (APN 160-110-10 Ptn.)

That portion of the Northeast quarter of Section 22, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 138 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 17: (KRGW-1 UNIT B Unit B9 and UNIT C Unit C6) (APN 160-120-39, 160-120-40 Ptn.)

That portion of the West half and that portion of the Southeast quarter of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPT that portion conveyed to West Kern Water District, by deed recorded August 22, 1988, Book 6155, Page 1405, Official Records. Containing an area, after said exception, of 99 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 18: (KRGW-1 UNIT C Unit C3) (APN 160-140-15, 160-140-18)

The Northeast quarter of Section 28, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 160 acres, more or less.

EXCEPT from the Southwest quarter of the Northeast quarter of the Northeast quarter; the South half of the Northwest quarter of the Northeast quarter; all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products, both metallic and nonmetallic,

solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas, and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 19: (KRGW-1 UNIT C Unit C2) (APN 160-140-03, 160-140-04)

Section 27, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 638 acres, more or less.

EXCEPT from the Southwest quarter of the Southwest quarter of the Northeast quarter; the Northwest quarter of the Southeast quarter of the Northwest quarter; the South half of the Southeast quarter of the Northwest quarter; the Southwest quarter of the Northwest quarter; the West half of the Northeast quarter of the Southeast quarter; the Northwest quarter of the Southeast quarter, the South half of the Southeast quarter; and the Southwest quarter of said Section; all of the oil, gas and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

NOV 21 1995

ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988 in Book 6158 Page 1098, of Official Records.

PARCEL 20: (KRGW-1 UNIT C Unit C1) (APN 160-130-07)

The Northwest quarter of Section 26, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING the East half of the East half of said Northwest quarter, containing an area, after said exception, of 120 acres, more or less.

ALSO EXCEPT of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 21: (KRGW-1 UNIT C Unit C4) (APN 160-170-03, 160-170-04)

Section 34, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 639 acres, more or less.

EXCEPT from the North half; the North half of the South half, the Northeast quarter of the Southeast quarter of the Southwest quarter; the North half of the Southwest quarter of the Southeast quarter; the Southeast quarter of the Southwest quarter of the Southeast quarter; and the Southeast quarter of the Southeast quarter of said Section, all of the oil, gas and other minerals of whatsoever kind or character whether now known to exist or hereinafter discovered (it being intended that the word "minerals" as used in this Mineral Grant Deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous) which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill



for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by Deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 22: (KRGW-1 UNIT C Unit C5) (APN 160-180-01, 160-180-02 Ptn.)

Section 35, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion described in Director's Deed, KRGW-1-A, recorded March 22, 1990, Book 6360, Page 1927, Official Records, being more or less recited herein as follows:

That portion of Section 35, Township 30 South, Range 25 East, Mount Diablo Meridian, County of Kern, State of California, according to the Official Plat thereof, lying South of the South right of way line of State Highway 119, said right of way being more particularly described in State Highway Deed to the State of California, recorded January 15, 1937, Book 683 Page 74, Official Records of said Kern County.

EXCEPTING THEREFROM the East 758.43 feet of said Section 35, as described in Easement Deed to the State of California, recorded January 2, 1964, Book 3677, Page 293, Official Records of said County,

Containing an area, after said exception, of 638 acres, more or less.

EXCEPT from the West half; the Northwest quarter of the Northwest quarter of the Northeast quarter; the South half of the Northwest quarter of the Northeast quarter; the Southwest quarter of the Northeast quarter of the Northeast quarter; the Southwest quarter of the Northeast quarter; the West half of the Southeast quarter of the Northeast quarter; the Northwest quarter of the Southeast quarter, the West half of the Northeast quarter of the Southeast quarter; the North half of the Southwest quarter of the Southeast quarter; the Southwest quarter of the Southwest quarter of the Southeast

quarter; and the Northwest quarter of the Southeast quarter of the Southeast quarter of said Section, all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this Mineral Grant Deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous) which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by Deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6188, Page 1098, Official Records.

PARCEL 23: (KRW-3 UNIT A Unit A1 and UNIT B Unit B1) (APN 160-020-04)

The South half of Section 3, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 300 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 24: (KRGW-3 UNIT A Unit A2 and UNIT B Unit B2) (APN 160-020-06)

The southwest quarter of Section 4, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exceptions, of 159 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 25: (KRGW-3 UNIT A Unit A2 and UNIT B Unit B2) (APN 160-020-08)

PARCEL 2, in the unincorporated area of the County of Kern, State of California, as shown on amended Parcel Map NO. 1450, filed February 6, 1974, in the Office of the County Recorder of Kern County.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Said land is a division of a portion of the East half of Section 4, Township 30 South, Range 25 East, Mount Diablo Meridian.

Containing an area, after said exception, of 153 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said

NOV 21 1995

real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 26: (KRGW-3 UNIT A Unit A3) (APN 160-030-12 Ptn.)

That portion of the South half of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the Southeast quarter of the Southeast quarter of said Section 5.

Containing an area, after said exception, of 212 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 27: (KRGW-3 UNIT A Unit A4) (APN 160-030-10)

The Southeast quarter of the Southeast quarter of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 40 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 28: (KRGW-3 UNIT A Unit A5) (APN 160-030-14 Ptn.)

That portion of the Southeast quarter of Section 6, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the Northeastly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 2 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property, together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 29: (KRGW-3 UNIT A Unit A6) (APN 160-040-03 Ptn.)

That portion of Section 8, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the Northeastly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 70 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property, together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 30: (KRGW-3 UNIT A Unit A7 and UNIT B Unit B3) (APN 160-050-01 Ptn.)

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the

NOV 21 1995

Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 505 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 31: (KPGW-3 UNIT B Unit B4) (APN 160-050-04)

All of Section 10, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 638 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 32: (KRGW-3 UNIT B Unit B5) (APN 160-060-01, 160-060-02, 160-060-03)

All of Section 11, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 638 acres, more or less.

NOV 21 1995

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 33: (KRW-3 UNIT B Unit B6) (APN 160-070-03, 160-070-04, 160-070-02, 160-070-11)

All of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion described as:

BEGINNING at the iron pipe with a 4 inch brass cap (stamped R.E. 2312, 1917) marking the Northwest corner of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, and running thence South 89° 39' East, along the Northerly boundary line of said Section 14, a distance of 415.00 feet; thence along a line parallel with the Westerly boundary line of said Section 14, the following two courses and distances, namely; South 0° 17 1/2 West, 55.00 feet to a concrete monument with a 3 inch bronze cap (marked PAC. GAS & ELECT. CO. PROP.); and thence continuing South 0° 17 1/2 West, 330.00 feet to a concrete monument with a 3 inch pipe bronze cap (marked PAC. GAS & ELECT. CO. PROP. COR.); thence along a line parallel with the Northerly boundary line of said Section 14 the following two courses and distances, namely; North 89° 39' West 360.00 feet to a concrete monument with a 3 inch bronze cap (marked PAC. GAS & ELECT. CO. PROP.); and thence continuing North 89° 39' West, 55.00 feet to a point in the Westerly boundary line of said Section 14; thence North 0° 17 1/2 East, along the Westerly boundary line of said Section 14, a distance of 385.00 feet to the Point of Beginning.

Containing an area, after said exception, of 634 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 34: (KRGW-3 UNIT B Unit B7) (APN 160-080-02 Ptn., 160-080-03, 160-080-04)

That portion of Section 15, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 451 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 35: (KRGW-3 UNIT B Unit B8) (APN 160-080-01)

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 32 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.



PARCEL 36: (KRGW-3 UNIT B Unit B9) (APN 160-110-10 Ptn.)

That portion of the Northeast quarter of Section 22, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 11 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 37: (KRGW-3 UNIT B Unit B10) (APN 160-120-20 Ptn., 160-120-22 Ptn., 160-120-40 Ptn.)

That portion of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT all that portion lying Southerly of the Northerly line of Parcel 2, as described in the deed to the City of Bakersfield, recorded December 30, 1976, Book 4999, Page 436, Official Records, said line being described as beginning at a point on the Northeasterly boundary line of the State Highway referred to above, at "the East-West centerline of said Section 23; thence along said centerline South 88° 41' 55" East, 2790.38 feet; thence North 55° 19' 28" East, 330.00 feet; thence North 74° 21' 35" East, 450.00 feet, more or less, to the East line of said Section 23."

Containing an area, after said exception, of 282 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by

NOV 2 1 1995

Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 38: (KRGW-5 UNIT A) (APN 160-120-20, 160-120-22)

That portion of the South half of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the Northeastly line of the State Highway, described therein as Parcel 2, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the State of California by deed recorded March 24, 1967, Book 4037, Page 193, Official Records, described therein as Parcel 1.

ALSO EXCEPT that portion conveyed to the City of Bakersfield, a Municipal Corporation, by deed recorded December 30, 1976, Book 4999, Page 436, Official Records.

Containing an area, after said exceptions, of 65 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 39: (KRGW-7 UNIT A) (APN 160-130-03 Ptn.)

That portion of the West half and the Southeast quarter of Section 25, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly and Southwesterly of the Southwesterly boundary of that certain parcel conveyed to the State of California, for the purpose of a freeway, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 157 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

NOV 21 1995

the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 40: (KRGW-7 UNIT B) (APN 160-180-04 Ptn.)

That portion of Section 36, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly boundary of that certain parcel conveyed to the State of California, for the purposes of a freeway, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the West half of the Southwest quarter of the Southwest quarter of said Section 36.

Containing an area, after said exception, of 583 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 41: (KRGW-9 UNIT A) (APN 161-180-12 Ptn.)

That portion of the Northwest quarter of Section 31, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of Kern County.

Containing an area of 6 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

-25-

PARCEL 42: (KRGW-11 UNIT A Unit A1) (APN 161-160-02)

All of Section 28, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the Northwest quarter, the Northwest quarter of the Southwest quarter, the Northwest quarter of the Northeast quarter of the Southwest quarter, and the Northwest quarter of the Southwest quarter of the Southwest quarter of said Section.

Containing an area, after said exception, of 420 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 43: (KRGW-11 UNIT A Unit A2) (APN 161-180-12 Ptn.)

That portion of the North half of Section 31, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the Northeast quarter of the Northwest quarter of the Northwest quarter, the Northeast quarter of the Northwest quarter, the Northeast quarter of the Southeast quarter of the Northwest quarter, the Northwest quarter of the Northeast quarter, the Northeast quarter of the Northeast quarter and the North half of the South half of the Northeast quarter of said Section.

Containing an area, after said exception, of 135 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 44: (KRGW-11 UNIT A Unit A3) (APN 161-180-04)

All of Section 32, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the North half of the South half of the Northwest quarter, the Southwest quarter of the Northwest quarter of the Northeast quarter, the North half of the Northwest quarter, the Northwest quarter of the Northeast quarter of the Northeast quarter, and the North half of the Northwest quarter of the Northeast quarter of said Section.

Containing an area, after said exception, of 480 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 45: (KRGW-11 UNIT A Unit A4) (APN 161-190-05, 161-190-10, 161-190-09, 161-190-11)

All of Section 33, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 641 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 46: (KRGW-13 UNIT A) (APN 160-130-03 Ptn.)

That portion of Section 25, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, conveyed to the State of California,

NOV 21 1995

by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of Kern County.

EXCEPT the Northeast quarter, the Northeast quarter of the Southeast quarter, the Northeast quarter of the Northwest quarter of the Southeast quarter, and the Northeast quarter of the Southeast quarter of the Southeast quarter of said Section.

Containing an area, after said exception, of 215 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 47: (KRGW-13 UNIT B) (APN 160-180-04)

That portion of Section 36, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the Northeastly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 25 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 48: (KRGW-15 UNIT A Unit A1) (APN 160-120-12, 160-120-05, 160-120-18, 160-120-25)

That portion of Section 24, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly of a line described as follows:

NOV 21 1995

-28-

BEGINNING at a point on the East line of said Section 24, distant thereon South 00° 22' 38" East, 1526.351 feet from the Northeast corner thereof, which point lies on the Northerly boundary line of the Kern River Canal right of way, as hereinafter described; thence along said Northerly boundary line, South 82° 29' 42" West, 1202.846 feet to the Westerly terminus of the concrete lined section of said canal; thence South 07° 30' 18" East, 100.00 feet; thence along the Southerly boundary of the earthen section of said canal, South 82° 29' 42" West, 2181.995 feet; thence, leaving said boundary South 39° 25' 12" West, 876.787 feet; thence South 77° 55' 12" West, 1400.00 feet, more or less, to a point on the West line of said Section 24, distant thereon 340.00 feet Southerly of the West one-quarter corner thereof.

EXCEPT that portion of said Section 24 granted to the State of California for freeway purposes by deed, recorded March 24, 1967, Book 4037, Page 193, of said Official Records, more particularly described therein.

ALSO EXCEPT any portion thereof lying Northerly of the Southerly line of the Kern River Canal.

ALSO EXCEPT the Southeast quarter of the Southeast quarter, and the Southeast quarter of the Southwest quarter of the Southeast quarter of said Section 24.

Containing an area, after said exceptions, of 325 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 49: (KRGW-15 UNIT A Unit A3) (APN 161-100-25)

All that portion of Section 19, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly of the Southerly line of the Kern River Canal, as said canal is described in deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

EXCEPT the South half of the South half of the South half, and the Northwest quarter of the Southwest quarter of the Southwest quarter of said Section 19.

Containing an area, after said exception, of 408 acres, more or less.

NOV 21 1995

-29-

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 50: (KRGW-15 UNIT A Unit A4) (APN 161-100-13)

All that portion of Section 20, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southerly of the southerly line of the Kern River Canal, as said canal is described in deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

EXCEPT the South half of the Southeast quarter, the Southeast quarter of the Northwest quarter of the Southeast quarter, the South half of the Northeast quarter of the Southeast quarter, the South half of the South half of the Southwest quarter, the North half of the Southeast quarter of the Southwest quarter, and the Northeast quarter of the Southwest quarter of the Southwest quarter of said Section 20.

Containing an area, after said exception, of 457 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 51: (KRGW 15 UNIT A Unit A2) (APN 161-090-07)

All that portion of Section 17, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southerly of the southerly line of the Kern River Canal, as said canal is described in Grant Deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

Containing an area of 155 acres, more or less.

NOV 21 1995

-30-



EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 52: (KRGW-17 UNIT A Unit A1) (APN 160-070-06, 160-070-20, 160-070-14, 160-070-22, 160-070-19)

Section 13, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the South half of the Southeast quarter of said Section 13.

ALSO EXCEPT the South 1000 feet of the West 1000 feet of the Southwest quarter of the Northwest quarter of said Section 13, containing an area, after said exception, of 540 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 53: (KRGW 17 UNIT A Unit A2) (APN 160-120-17)

The Northwest quarter of the Northwest quarter and the West half of the West half of the Northeast quarter of the Northwest quarter of Section 24, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 50 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

NOV 21 1995

-31-

which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 54: (KRGW-17 UNIT A Unit A3) (APN 161-090-10, 161-090-01)

The North half of Section 18, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the Easterly 1700 feet of the South half of the South half of the Northwest quarter, the South half of the South half of the Northeast quarter, the Easterly 900 feet of the Northeast quarter of the Northeast quarter, and the Easterly 900 feet of the North half of the Southeast quarter of the Northeast quarter of said Section 18, containing an area, after said exception, of 222 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 55: (KRGW-19 UNIT A Unit A1 and UNIT B) (APN 160-010-12, 160-010-14, 160-010-24, 160-010-13, 160-010-26, 160-010-17)

The South half of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 306 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

NOV 2 1 1995

which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 56: (KROW-19 UNIT A Unit A2) (APN 160-060-17, 160-060-04, 160-060-21, 160-060-20, 160-060-06, 160-060-18, 160-060-19, 160-060-15, 160-060-07, 160-060-09)

Section 12, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the South half of the Southwest quarter of said Section, containing an area, after said exception, of 561 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 57: (KROW-19 UNIT A Unit A3) (APN 161-040-20, 161-040-02, 161-040-09, 161-040-10, 161-040-11)

That portion of Section 7, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the Southern Pacific Railroad Asphalt Branch, as granted to SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds, Records of said County.

Containing an area of 637 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 58: (KRGW-30 UNIT A and UNIT B) (APN 161-030-23, 161-030-08, 161-030-24)

That portion of the South half of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the Southern Pacific Railroad Asphalt Branch, as granted to the SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 166 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 59: (KWB-4-B) (APN 160-070-28)

The South 1000 feet of the West 1000 feet of the Southwest quarter of the Northwest quarter of Section 13, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 23 acres, more or less.

PARCEL 60: (KWB-5-A)

UNIT A (APN 160-070-10)

The North 383 feet of the West 415 feet of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 3.67 acres, more or less.

UNIT B (APN 160-010-40, 160-010-38, 160-010-43)

That portion of the East 5000 feet of the North half of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Northerly line of the Pioneer Canal Easement as described in PARCEL C, P-O Canal Easement Deed, recorded December 6, 1978, Book 5159, Page 2217, Official Records of said County, containing an area of 8.37 acres, more or less.

NOV 21 1995

UNIT C (APN 161-030-42)

That portion of the Northwest quarter of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Northerly line of the Pioneer Canal Easement as described in PARCEL C, P-O Canal Easement Deed, recorded December 6, 1978, Book 5159, Page 2217, Official Records of said County.

EXCEPTING THEREFROM that portion of said Northwest quarter lying Northeasterly of the Southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as granted to the SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by Deed, recorded October 21, 1893, Book 47, Page 356 of Deeds, records of said County, containing an area, after said exception, of 3.25 acres, more or less.

UNIT D (APN 160-010-41)

The South 1176.00 feet of the West 165.00 feet of the Northwest quarter of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 4.45 acres, more or less.

PARCEL 61: (KRGW-29)

UNIT A (APN 161-040-26, 161-040-13)

That portion of the West half of the West half of Section 8, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as said railroad is described in deed, recorded October 21, 1893, Book 47, Page 356, Deeds, records of Kern County.

EXCEPTING THEREFROM the Southerly 820 feet of the Southwest quarter of the Southwest quarter of said Section 8, as granted to the CITY OF BAKERSFIELD, a Municipal Corporation, by deed, recorded December 30, 1976, Book 4999, Page 436, Official Records.

SUBJECT TO all exceptions, reservations, terms, conditions, covenants, and restrictions contained and recited in that certain oil, gas, and/or mineral interest assignment and conveyance from TENNECO WEST, INC., to TENNECO OIL COMPANY, recorded November 18, 1988 in Book 6183, Page 1167, Official Records of said County.

Containing an area, after said exception, of 73 acres, more or less.

PARCEL 62: (KRGW-35-B) (APN 408-120-06, 408-120-07)

The North half of Section 31, Township 29 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT THEREFROM that portion conveyed to ROSEDALE RIO BRAVO WATER STORAGE DISTRICT by Deed, recorded December 22, 1975, Book 4930, Page 1621, Official Records, more particularly described as that portion of the Northeast quarter of the Northeast quarter of said Section, described as follows:

NOV 21 1995

BEGINNING at the Northeast Corner of said Section 31; thence along the North line of said Section 31, North 89° 22' 34" West, 228.00 feet; thence leaving said North line South 0° 31' 27" West, 73.70 feet; thence South 46° 16' 34" East, 200.69 feet; thence South 64° 06' 38" East, 87.10 feet to the East line of said Section 31; thence along said East line North 0° 31' 27" East, 248.00 feet to the Point of Beginning.

Containing an area, after said exceptions, of 321 acres, more or less.

ALSO EXCEPT all of the minerals and mineral ores of every kind and character now known to exist of hereafter discovered upon, within, or underlying said land or that may be produced therefrom, including, limiting the generality of the foregoing, all oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand, gravel and aggregates, and products derived therefrom, together with the exclusive and perpetual right of Southern Pacific Company, a Corporation of the State of Delaware, its successors and assigns, or ingress and egress in, upon, or over said property to explore and prospect for, extract, develop, save, convey, store, refine, process, and remove the same and to make such use of said property and the surface thereof as is necessary or useful in connection therewith, which use may include the sinking, boring, digging or drilling of wells, shafts or tunnels, excavating, open pit mining and constructing, maintaining and removing roads, ways, pipelines, pole lines, tanks, buildings, structures and facilities as granted to BRAVO OIL COMPANY, a Corporation of the State of Texas, recorded December 29, 1965, Book 3906, Page 30, Official Records.

PARCEL 63: (NRGW-34-C) (APN 104-240-44)

The South half of Section 25, Township 29 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT THEREFROM that portion conveyed to ROSEDALE RIO BRAVO WATER STORAGE DISTRICT, by Deed recorded December 27, 1975, Book 4930, Page 1621, Official Records, described as that portion lying within the South half of the South half of said Section 25, described as follows:

BEGINNING at the Southwest corner of said Section 25; thence along the West line of said Section 25 North 01° 07' 07" East, 323.00 feet; thence South 89° 10' 11" East, 1171.33 feet; thence North 00° 49' 49" East, 127.00 feet; thence South 89° 10' 11" East, 1105.90 feet; thence North 00° 49' 49" East 95.00 feet; thence South 89° 10' 11" East 385.53 feet; thence South 89° 09' 24" East, 679.59 feet; thence North 00° 50' 36" East, 170.00 feet; thence South 89° 09' 24" East, 1983.75 feet to the East line of said Section 25; thence along said East line South 00° 44' 41" West 715.00 feet to the Southeast corner of said Section; thence along the South line of said Section North 89° 09' 24" West, 2664.51 feet; thence continuing along said South line North 89° 10' 11" West 2664.32 feet to the Point of Beginning.

Containing an area, after said exception, of 258 acres, more or less.

NOV 21 1995

ALSO EXCEPT all of the minerals and mineral ores of every kind and character now known to exist or hereafter discovered upon, within or underlying said land or that may be produced therefrom, including, limiting the generality of the foregoing, all oil, natural gas and hydrocarbon substances, geothermal steam, brines and minerals in solution, and sand, gravel and aggregates, and products derived therefrom, together with the exclusive and perpetual right of Southern Pacific Company, a Corporation of the State of Delaware, its successors and assigns, or ingress and egress in, upon or over said property to explore and prospect for, extract, develop, save, convey, store, refine, process, and remove the same and to make such use of said property and the surface thereof as is necessary or useful in connection therewith, which use may include the sinking, boring, digging or drilling of wells, shafts or tunnels, excavating, open pit mining and constructing, maintaining and removing roads, ways, pipelines, pole lines, tanks, buildings, structures and facilities as granted to BRAVO OIL COMPANY, a Corporation of the State of Texas, recorded December 29, 1965, Book 3906, Page 30, Official Records.

EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate, and maintain a State Highway over, through, and across those portions of the hereinabove described Sections 1, 11, 12, 13, 14, 23, 24, 25, 35, and 36, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, included within the lines of the parcels of land described in deeds to the State of California, recorded December 15, 1934, Book 347, Page 56; recorded August 22, 1935, Book 596, Page 34; recorded May 20, 1977, Book 5028, Page 2074; and recorded May 20, 1977, Book 5028, Page 2077, all of Official Records of Kern County. (Affects Parcels 22, 32, 33, 37, 38, 40, 46, 48, 52, 55, 56, and 59).

ALSO EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate, and maintain a State Highway over, through, and across those portions of the hereinabove described Sections 34, 35, and 36, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, included within the lines of the parcels of land described in deeds to the State of California, recorded January 15, 1937, Book 683, Page 74, and recorded January 2, 1964 in Book 3677, Page 293, both of Official Records of Kern County. (Affects Parcels 21, 22 and 40).

ALSO EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate, and maintain a State Highway over, through, and across the South 30 feet of the hereinabove described Sections 32 and 33, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof. (Affects Parcels 44 and 45).

Bearings and distances used in the above description are based on the California Coordinate System, Zone V, 1927.



NOV 21 1995

The Department of Water Resources, State of California, hereby (1) reserves to itself title to one-half of the La Hacienda Program Water and one-half of the Berrenda Mesa Demonstration Program Water; and (2) grants to Kern County Water Agency one-half of the La Hacienda Program Water, one-half of the Berrenda Mesa Demonstration Program Water, all of the 1995 water, and all other water on, in, or under the real property which has not been reserved to the State herein. "Berrenda Mesa Demonstration Program Water" shall mean 2,532 acre feet of groundwater that has not been extracted by the State before the close of escrow on the property as part of the 1990 Berrenda Mesa Demonstration Program. "La Hacienda Program Water" shall mean the 83,127 acre feet of water that has not been extracted before the close of escrow of the 98,005 acre-feet of the groundwater purchased by the State from the Kern County Water Agency, and the Kern County Water Agency from La Hacienda, Inc., in 1991. "1995 Water" shall mean all water on, in, or under the real property upon closing that was delivered to and spread upon the real property at any time during 1995 by or for the Kern County Water Agency or its member units or the members of the Kern Water Bank Authority. (Does Not Affect Parcels 62 and 63).



Subject to special assessments, if any, restrictions, reservations, and easements of record.

The Director of Water Resources has determined that the said real property was acquired for State water development purposes, is no longer needed, and is not now being used for water development purposes.

The conveyance is executed pursuant to the authority vested in the Director of Water Resources by law.

Dated December 13, 1995.

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES



*Phillip J. Salamy*  
By  
TR 45 (9/95)

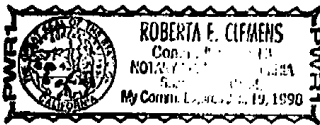
*David N. Kennedy*  
David N. Kennedy  
DIRECTOR OF WATER RESOURCES

STATE OF CALIFORNIA }  
COUNTY OF SACRAMENTO } SS.

On DEC. 13, 1995, before me, Roberta E. Clemens  
personally appeared DAVID N. KENNEDY  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person ~~(s)~~ whose name ~~(s)~~ is/  
~~was~~ subscribed to the within instrument and acknowledged to me that he ~~(s)~~ ~~she~~ ~~they~~ executed the same in his ~~(s)~~ ~~her~~ ~~their~~  
authorized capacity ~~(ies)~~, and that by his ~~(s)~~ ~~her~~ ~~their~~ signature ~~(s)~~ on the instrument the person ~~(s)~~, or the entity upon  
behalf of which the person ~~(s)~~ acted, executed the instrument.

WITNESS my hand and official seal.

(Seal)



Roberta E. Clemens  
NOTARY PUBLIC IN AND FOR THE STATE OF CALIFORNIA

I HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE NOTARY SEAL OF  
ROBERTA E. CLEMENS AFFIXED TO THE WITHIN DOCUMENT, WHILE  
NOT BEING PHOTOGRAPHICALLY REPRODUCIBLE, CAN BE READ. I FURTHER CERTIFY  
THAT THE SAID NOTARY COMMISSION EXPIRES ON JANUARY 19, 1998.  
THE NOTARY BOND AND COMMISSION IS FILED IN SACRAMENTO COUNTY.  
PLACE OF EXECUTION SACRAMENTO, CA.  
DATE DECEMBER 13, 1995


CHICAGO TITLE CO.

BY: Marilyn Mobley  
MARILYN MOBLEY, ESCROW OFFICER SR.

**CERTIFICATE OF ACCEPTANCE**  
**GOVERNMENT CODE SECTION 26281**

THIS IS TO CERTIFY that the Kern County Water Agency hereby accepts for public purposes, the within document and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 6<sup>th</sup>  
day of August, 1996.

  
PAM BOSWORTH, Secretary to the Board  
of Directors, Kern County Water Agency

[Seal]

**ATTACHMENT**

**Attached is the document you (or someone on your behalf) requested. As required by Section 12956.1(b)(1) of the California Government Code, please take note of the following:**

**“If the document contains any restriction based on race, color, religion, sex, sexual orientation, familial status, disability, handicap, national origin, genetic information, gender, gender identity, gender expression, source of income (as defined in California Government Code § 12955(p)) or ancestry, that restriction violates state and federal fair housing laws is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.”**

RECORDING REQUESTED BY:  
CHICAGO TITLE CO. ESCROW NO.  
*B643002-mm*

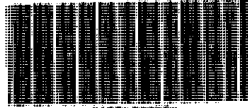
James Maples-Assessor-Recorder  
Kern County Official Records

PATTI  
Pages: 57  
8/09/1996  
12 00:00

RECORDING/REQUESTED BY/  
AND MAIL TO:

DOCUMENT #: 0196102058

KERN COUNTY WATER AGENCY  
POST OFFICE BOX 58  
BAKERSFIELD, CALIFORNIA 93302-0058



EXEMPT FROM RECORDING FEE  
PURSUANT TO GOVERNMENT CODE  
SECTION 27383

Stat Types 1

Fees  
Taxes  
Other  
TOTAL PAID

**DECLARATION OF  
COVENANTS CONDITIONS & RESTRICTIONS**

This Declaration is made this 14th day of Dec, 1995 by the KERN WATER BANK AUTHORITY, a California Joint Powers Authority ("KWBA") for the benefit of the KERN COUNTY WATER AGENCY, a California public agency ("Agency").

WHEREAS, KWBA and Agency have entered into a Transfer and Exchange Agreement, dated December 13, 1995, which at Section 3 provides for execution and recording of this Declaration upon the Agency transferring the Real Property described at Exhibit B to KWBA.

NOW, THEREFORE, KWBA DOES HEREBY PROVIDE THIS DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS:

1.0 Definitions: The following definitions shall apply to this Declaration:

(a) "Agency Basic Contract Member Units": shall mean those member units that entered into long-term water supply contracts with the Agency prior to January 1, 1996, for an entitlement to a portion of the State Water Project furnished to the Agency annually by the State of California pursuant to the Agency's November 15, 1963 water supply contract with the State of California and any amendments thereto.

(b) "Agency Non-Basic Member Units": shall mean any member units of the Agency other than Agency Basic Contract Member Units.

(c) "Agency Member Units": shall mean member units of the Agency as that term is defined in Section 2(g) of the Kern County Water Agency Act, California Statutes 1961, Chapter 1003, as amended.

(d) **"Member Entities"**: shall mean those entities that have become members of the Kern Water Bank Authority by executing the Joint Powers Agreement for the Kern Water Bank Authority, and their successors and assigns that become members.

(e) **"Project"**: shall mean the Project described in Article V of the Joint Powers Agreement for the Kern Water Bank Authority.

(f) **"Property"**: shall mean the approximately 19,890 acres of real property together with all improvements thereon located within Kern County, California, more fully described in Exhibit A attached hereto and incorporated herein by reference.

(g) **"SWP Agricultural Contractors"**: for purposes of this Declaration shall mean the following State Water Project contractors: County of Kings; Dudley Ridge Water District; Empire West Side Irrigation District; Kern County Water Agency; Oak Flat Water District; and Tulare Lake Basin Water Storage District.

(h) **"SWP Urban Contractors"**: shall mean every State Water Project contractor other than the SWP Agricultural Contractors.

2.0 **General - Property Benefitted & Burdened By Declaration**: It is the intent of the parties that each restraint or restriction relating to the use, repair, maintenance or improvement of the Property shall constitute a covenant running with the land, binding upon all successive owners of all or any portion of the Property. Such covenants shall be for the benefit of the land of Agency as described in Exhibit A, and shall burden the Property described in Exhibit B.

3.0 **Use Of Property:**

3.1 The annual consumptive use of groundwater upon any of the Property by KWBA, any successor in interest to KWBA, or any transferee of any interest in the Property, shall be limited to 0.3 acre feet per acre; provided however, that KWBA, any successor in interest thereto, or any transferee of any interest in any of the Property may make arrangements for additional supplies, which may include water banked by KWBA and/or its Member Entities. In the event of a breach of the restrictions provided for in this Section, Agency shall have the rights and remedies provided for in Section 3.6.

3.2 Neither the whole, nor any part, nor any interest in the property described in Exhibit C, may be sold, transferred, leased, subleased, assigned, conveyed or encumbered without the express prior written consent of Agency Board of Directors, provided that (i) Agency shall not unreasonably withhold such consent; and (ii) upon consultation with the Agency, such property may be encumbered as a bona fide security for improvements upon this Property used for water banking purposes and such restrictions on transfer shall not apply to any transfer upon or deed in lieu of foreclosure of such permitted encumbrance or be binding upon any transferee pursuant to or in lieu of foreclosure or upon

such transferee's successors and assigns. In no event shall withholding of consent of the Agency be deemed unreasonable if Agency determines that the property involved can be used economically for groundwater storage and recovery for agricultural water use in Kern County. If Agency so determines, and KWBA disputes such determination, the matter shall be resolved by arbitration in accordance with the provisions of Title 9 (commencing with Section 1280) of Part 3 of the California Code of Civil Procedure. In determining whether the property affected can be economically used for groundwater storage and recovery for agricultural use in Kern County, the arbitrator shall not consider the possible economic returns from any other potential uses of the property. If the arbitrator determines that the property affected can not be used economically for such purpose, and KWBA thereafter elects to dispose of such property, Agency shall have a right of first refusal to purchase or lease such property on the same terms and conditions as those provided for in the proposed sale or lease. Any offer, acceptance, or agreement for such sale or lease by KWBA with a third party must state in writing that it is subject to such rights of Agency. KWBA shall serve written notice on Agency of the terms of such proposed sale or lease, and of any material amendments or modifications of such terms. Agency shall have 90 days after receipt of written notice of the terms of such sale or lease, or of any material amendments or modifications of such terms, whichever is later, to exercise such right of first refusal. In the event of a breach of the restrictions provided for in this Section, Agency shall have the rights and remedies specified in Section 3.6.

3.3 The property described in Exhibit D may be sold, transferred, leased, subleased, assigned, conveyed or encumbered; provided that all of the net proceeds from such disposition shall be used solely for the development, operation (including purchase of water) or maintenance of the Project, including any amortization of indebtedness incurred for such development, operation or maintenance, unless (i) substantially all the property described at Exhibit C has been or is being disposed of because it has been determined by the Agency or an arbitrator in accordance with the procedure set forth in Section 3.2 that the property described in Exhibit C can not be used economically for groundwater storage and recovery for agricultural water used in Kern County, or (ii) otherwise agreed to in writing by the Agency. In the event of a breach of the restrictions provided for in this Section, Agency shall have the rights and remedies provided for in Section 3.6.

3.4 The property described in Exhibit E may be sold, transferred, leased, subleased, assigned, conveyed or encumbered; provided that all of the net proceeds from such disposition shall be used solely for the development, operation (including purchase of water) or maintenance of the Project, including any amortization of indebtedness incurred for such development, operation or maintenance, unless (i) substantially all the property described at Exhibit C has been or is being disposed of because it has been determined by the Agency or an arbitrator in accordance with the procedure set forth in Section 3.2 that the property described in Exhibit C can not be used economically for groundwater storage and recovery for agricultural water used in Kern County, or (ii) otherwise agreed to in writing by the Agency. In the event that any of the property described in Exhibit E is sold, transferred, or conveyed, and KWBA does not retain and reserve a fee interest or a permanent exclusive easement, to

each of the well sites located thereon described in Exhibit F, together with any pumps or motors or other equipment used in connection with such wells, Agency shall have and is hereby granted an option (the "Option") to purchase such property at the fair market value. Agency may exercise the Option only if KWBA attempts to sell, transfer or convey any property listed on Exhibit E without retaining and reserving the well sites located thereon listed on Exhibit F. The Option shall be exercised by the Agency providing written notice to KWBA of the exercise of such option within 30 days of Agency's receipt of written notice from KWBA or any record owner of title to such property of a proposed sale, conveyance or transfer. Within 90 days of the date the parties agree as to the fair market value of the Property or within 90 days of the date of the appraisal provided for below, whichever is earlier, Agency and the owner of such property shall enter into the purchase agreement attached hereto as Exhibit G. The purchase price for such property shall be the fair market value of the property. In the event that the parties can not agree to the fair market value of the property within 30 days after the exercise of the Option, the parties shall select an M.A.I. appraiser to appraise the property. Each party shall pay one-half of the cost of such appraisal. In the event that the parties do not agree upon an appraiser within 45 days after the exercise of the Option, each party shall name an appraiser, and those appraisers shall jointly name an appraiser to appraise such property. In no event shall KWBA consummate more than three transfers or other transactions subject to this section without retaining the rights to such well sites.

3.5 KWBA may request that Agency make property which is subject to the restrictions contained in 3.2, subject instead to the provisions of 3.3. Such modification shall be subject to the written consent of the Agency; provided, Agency shall not unreasonably withhold such consent. If the Agency so determines, and KWBA disputes such determination, the matter shall be resolved by arbitration in accordance with the provisions of Title 9 (commencing with Section 1280) of Part 3 of the California Code of Civil Procedure. In the event the Agency so consents, Agency and KWBA shall promptly execute, acknowledge and record an appropriate amendment to this Declaration containing such modification.

3.6 In the event that KWBA, or any successor in interest to KWBA, or any transferee, lessee, sublessee or assignee of the Property affected, shall violate any of the restrictions or restraints upon such Property, or enter into any agreement which would cause such restrictions or restraints to be violated, or otherwise breach the terms of Sections 3.2, 3.3, 3.4 or 3.5, Agency shall have the following rights and remedies, at its sole election:

3.6.1 Agency shall be entitled to a temporary restraining order, and preliminary and permanent injunctions, restraining the breach of such restrictions; and in addition; any sale, transfer, lease, sublease, assignment, conveyance, encumbrance or use in violation or breach of the terms of Sections 3.3, 3.4 or 3.5 of this Declaration shall be void and of no force or effect; and Agency shall further be entitled to declaratory relief so providing;



3.6.2 Agency shall be entitled to any other remedies it may have at law or in equity.

3.7 The foregoing provisions of Sections 3.1 through 3.6 of this Declaration shall not apply if KWBA elects to change its form to another form of public entity, and in connection with such change of form transfers title to the Property to such successor entity, provided that (i) 66-2/3% of the members of the KWBA are members of or participants in the successor agency; and (ii) such successor agency assumes the obligations under this Declaration in the same manner as required of the KWBA. The foregoing provisions of Sections 3.1 through 3.6 of this Declaration also shall not apply to any succession to the rights, interests and obligations of KWBA pursuant to Section 5.6(c) of the Joint Powers Agreement of the KWBA, dated October 16, 1995, as amended from time to time, provided that the reconstituted Authority assumes the obligations under this Declaration in the same manner as required of the KWBA.

4.0 Priorities For Use Of The Project:

4.1. The KWBA Member Entities shall have the first priority right to use the Project for the recharge, storage and/or recovery of water primarily for the use within the boundaries of the Agency and Dudley Ridge Water District. Included within such priority will be uses of the Project for recharge of high flow Kern River flows under terms and conditions of agreement(s) entered into between the KWBA or any of its Member Entities and the holders of Kern River water rights. The KWBA and/or its Member Entities intend to enter into long term exchanges and programs with other entities including entities outside of Agency boundaries. Such exchanges will be subject to the following:

4.1.1 Any such exchange or program with interests outside the boundaries of the SWP Agricultural Contractors, shall be subject to the approval of Agency under the same terms and conditions as Agency applies to other Agency Member Units.

4.1.2 If approved, these transactions will be included in this first priority use category.

4.2 To the extent there is recharge, storage and/or recovery capacity available in the Project facilities beyond that needed for the first priority ("Excess Capacity"), Agency Basic Contract Member Units, including Agency and its improvement districts, shall have the second priority right to use the Project for the recharge and/or recovery of water for use in the boundaries of Agency if they pay the Fair Compensation for such use or a lesser amount agreed to by KWBA. The meaning of "Fair Compensation" shall be the same as that set forth in California Water Code section 1811. The KWBA Board of Directors may establish from time to time such rates consistent with said section 1811.

4.3 The third priority shall be any Agency Non-Basic Contract Member Unit for use within Kern County, subject to the approval of terms and conditions acceptable

to the KWBA and approval of Agency, where Agency approval would otherwise be required absent the Project.

4.4 The fourth priority shall be any person, entity or organization within the County of Kern for use within Kern County, subject to terms and conditions acceptable to KWBA and approval of Agency, where Agency approval would otherwise be required absent the Project.

4.5 Any excess Capacity available beyond that needed for these first four priorities can be made available to other persons, entities, or organizations, including SWP Urban Contractors, on terms and conditions acceptable to the KWBA and Agency.

IN WITNESS HEREOF, this Declaration has been executed the date first above written.

KERN WATER BANK AUTHORITY

BY 

WILLIAM D. PHILLIMORE

Its: Chairman

KERN COUNTY WATER AGENCY

BY 

ADRIENNE JO MATHEWS

Its: President

223315.2

EXHIBIT A

PARCEL 1:

All of Section 5, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southerly of the southerly line of that portion thereof described in the Final Order of Condemnation, a certified copy of which was recorded December 1, 1981 in Book 5421, Page 1531 of Official Records.

PARCEL 2:

That portion of the South half (S/2) of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying northeasterly of the northeasterly line of the Southern Pacific Railroad Company Asphalt Branch Right of Way, as conveyed in deed recorded October 21, 1893 in the Office of the Kern County Recorder, in Book 47 of Deeds, at page 356, and southerly of the southerly line of that portion of Section 6 described in the Final Order of Condemnation, a certified copy of which was recorded December 1, 1981, in Book 5421, Page 1531 of Official Records.

PARCEL 3:

That portion of Section 7, and the North half (N/2) of Section 8, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying northeasterly of the northeasterly right of way line of Southern Pacific Railroad Company's Asphalt Branch Line, as described in deed recorded October 21, 1893 in the Office of the Kern County Recorder, in Book 47 of Deeds, at page 356.

PARCEL 4:

The West half of the Northwest Quarter of Section 9, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area, County of Kern, State of California, according to the Official Plat thereof.

PARCEL 5:

The Southeast quarter of the Northwest Quarter; the Northeast Quarter, and the South half of Section 10, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area, County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion thereof conveyed to the City of Bakersfield, a municipal corporation, in deed recorded August 3, 1988 in the Office of the Kern County Recorder, in Book 6149 of Official Records, at page 407.

/

**PARCEL 6:**

All of Section 15, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area, County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion thereof conveyed to the Southern Pacific Railroad Company, in deed recorded October 21, 1893, in Book 47, Page 356 of Deeds.

ALSO EXCEPTING THEREFROM that portion thereof conveyed to the City of Bakersfield, a municipal corporation, in deed recorded August 3, 1988 in the Office of the Kern County Recorder, in Book 6149 of Official Records, at page 407.

**PARCEL 7:**

That portion of Section 16, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Sales Map of Lands of Kern County Land Company dated May 23, 1892 and recorded May 28, 1892 in the Office of the Kern County Recorder, lying southerly of the southerly line of the Kern River Canal as described in the deed recorded December 30, 1976, in Book 4999, page 431 of Official Records and easterly and northeasterly of the lands conveyed to Southern Pacific Railroad Company, a corporation, in deeds recorded October 21, 1893 and July 2, 1894, in Book 47, Page 356 of Deeds and Book 54, Page 262 of Deeds, respectively;

**EXHIBIT B**  
**PLEASE SEE EXHIBIT 1.1A**

KWB-2-AR

All that certain real property situate in the unincorporated area of the County of Kern, State of California, described in Deeds to the STATE OF CALIFORNIA, recorded August 31, 1988, Book 6158, Pages 1098 through 1119; recorded March 22, 1990, Book 6360, Pages 1923 through 1925; March 7, 1990, in Book 6354, Pages 998 through 1000; and March 7, 1990, Book 6354, Pages 989 through 991, all of Official Records in the Office of the County Recorder of said Kern County, being more or less described herein as follows:

PARCEL 1: (KRCW-1 UNIT A Unit A1) (APN 159-010-02)

Section 12, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, and containing an area of 640 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158 Page 1098, Official Records.

PARCEL 2: (KRWG-1 UNIT A Unit A2) (APN 159-180-03)

Section 13, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING the Southwest quarter of the Southwest quarter of said Section, and containing an area, after said exception, of 602 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

EXHIBIT 1.1.A

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PARCEL 3: (KRGW-1 UNIT A Unit A3) (APN 159-180-04)

The Northeast quarter, the Northeast quarter of the Southeast quarter, and the East half of the Northwest quarter of Section 24, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion of said section 24 described in deed to the State of California, recorded January 23, 1933, Book 458, Page 481, Official Records of said County, described as follows:

BEGINNING at the Northwest corner of the Southeast quarter of the Northwest quarter of said Section 24, and thence South  $51^{\circ} 52'$  East a distance of 2130 feet, more or less, to a point on the South line of the North half of said Section 24; thence West along said South line a distance of 1672.8 feet to the Southwest corner of said Southeast quarter of the Northwest quarter of said Section 24; and thence North along the West line of said Southeast quarter of the Northwest quarter of said Section 24 to the Point of Beginning.

Containing an area, after said exception, of 255 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 4: (KRGW-1 UNIT A Unit A8) (APN 160-090-01, 160-090-02)

Section 18, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 650 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995



PARCEL 5: (KRGW 1 UNIT A Unit A9 and UNIT B Unit B5) (APN 160-100-08, 160-100-07, 160-100-02)

Section 19, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area of 626 acres, more or less.

ALSO EXCEPT from the East half of the Southeast quarter of the Southwest quarter of the Southwest quarter, the Southwest quarter of the Southeast quarter of the Southwest quarter of the Southwest quarter, and the West half of the Southeast quarter of the Southwest quarter of said Section, all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this MINERAL GRANT DEED shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products, both metallic and nonmetallic, solid, liquid, or gaseous); which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove, and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 6: (KRGW-1 UNIT A Unit A4) (APN 160-030-14 Ptn.)

That portion of the South half of Section 6, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the State Highway as granted to the State of

NOV 21 1995

California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County, and containing an area of 319 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 7: (KRGW-1 UNIT A Unit A4) (APN 160-030-14, 160-030-12 Ptn.)

That portion of the Southwest quarter of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County, and containing an area of 52 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 8: (KRGW-1 UNIT A Unit A5) (APN 160-040-01, 160-040-02)

Section 7, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, and containing an area of 653 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

WDV 2 | 1995

the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 9: (KRGW-1 UNIT A Unit A6) (APN 160-040-03 Ptn.)

That portion of Section 8, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County.

EXCEPT those portions conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1, by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302, a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, of Official Records.

Containing an area, after said exception, of 546 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 10: (KRGW-1 UNIT B Unit B1) (APN 160-050-01 Ptn.)

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPT those portions conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1 by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, in Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 85 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word

NOV 21 1995

and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous, which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 11: (KRGW-1 UNIT A Unit A7 and UNIT B Unit B4) (APN 160-090-03)

Section 17, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by the FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, in Book 5421, Page 1531, Official Records.

Containing an area of 604 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 12: (KRGW-1 UNIT B Unit B3) (APN 160-080-01 Ptn.)

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 591 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word

NOV 21 1995

"minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 13: (KRGW-1 UNIT B Unit B2) (APN 160-080-02 Ptn.)

That portion of Section 15, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southwesterly of the southwesterly line of State Highway, granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records, containing an area of 154 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 14: (KRGW-1 UNIT B Unit B6) (APN 160-100-09, 160-100-10, 160-100-04, 160-100-05)

Section 20, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302, a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 642 acres, more or less.

ALSO EXCEPT from the Southwest quarter of the Southeast quarter of the Southwest quarter and the South half of the Southwest quarter of the Southwest quarter of said Section, all of the oil, gas, and other minerals of whatever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products,

NOV 21 1995

both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 15: (KRGW-1 UNIT B Unit B7) (APN 160-110-13)

The North half of Section 21, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 320 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 16: (KRGW-1 UNIT B Unit B8) (APN 160-110-10 Ptn.)

That portion of the Northeast quarter of Section 22, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to State of California, by deed recorded March 24, 1967, Book 4037, Page 191, Official Records.

Containing an area of 138 acres, more or less.

NOV 21 1995

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 17: (KRGW-1 UNIT B Unit B9 and UNIT C Unit C6) (APN 160-120-39, 160-120-40 Ptn.)

That portion of the West half and that portion of the Southeast quarter of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPT that portion conveyed to West Kern Water District, by deed recorded August 22, 1988, Book 6155, Page 1405, Official Records. Containing an area, after said exception, of 99 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 18: (KRGW-1 UNIT C Unit C3) (APN 160-140-15, 160-140-18)

The Northeast quarter of Section 28, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 160 acres, more or less.

EXCEPT from the Southwest quarter of the Northeast quarter of the Northeast quarter; the South half of the Northwest quarter of the Northeast quarter; all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products, both metallic and nonmetallic,

NOV 21 1995

solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas, and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 8158, Page 1098, Official Records.

PARCEL 19: (KRGW-1 UNIT C Unit C2) (APN 160-140-03, 160-140-04)

Section 27, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 638 acres, more or less.

EXCEPT from the Southwest quarter of the Southwest quarter of the Northeast quarter; the Northwest quarter of the Southeast quarter of the Northwest quarter; the South half of the Southeast quarter of the Northwest quarter; the Southwest quarter of the Northwest quarter; the West half of the Northeast quarter of the Southeast quarter; the Northwest quarter of the Southeast quarter; the South half of the Southeast quarter; and the Southwest quarter of said section; all of the oil, gas and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

NOV 21 1995



ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988 in Book 6158 Page 1098, of Official Records.

PARCEL 20: (KRGW-1 UNIT C Unit C1) (APN 160-130-07)

The Northwest quarter of Section 26, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING the East half of the East half of said Northwest quarter, containing an area, after said exception, of 120 acres, more or less.

ALSO EXCEPT of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 21: (KRGW-1 UNIT C Unit C4) (APN 160-170-03, 160-170-04)

Section 34, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 639 acres, more or less.

EXCEPT from the North half; the North half of the South half, the Northeast quarter of the Southeast quarter of the Southwest quarter; the North half of the Southwest quarter of the Southeast quarter; the Southeast quarter of the Southwest quarter of the Southeast quarter; and the Southeast quarter of the Southeast quarter of said Section, all of the oil, gas and other minerals of whatsoever kind or character whether now known to exist or hereinafter discovered (it being intended that the word "minerals" as used in this Mineral Grant Deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous) which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill

NOV 21 1995

for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by Deed recorded December 10, 1974, Book 4672, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 22: (KRGW-1 UNIT C Unit C5) (APN 160-180-01, 160-180-02 Ptn.)

Section 35, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion described in Director's Deed, KRGW-1-A, recorded March 22, 1990, Book 6360, Page 1927, Official Records, being more or less recited herein as follows:

That portion of Section 35, Township 30 South, Range 25 East, Mount Diablo Meridian, County of Kern, State of California, according to the Official Plat thereof, lying South of the South right of way line of State Highway 119, said right of way being more particularly described in State Highway Deed to the State of California, recorded January 15, 1937, Book 683 Page 74, Official Records of said Kern County.

EXCEPTING THEREFROM the East 758.43 feet of said Section 35, as described in Easement Deed to the State of California, recorded January 2, 1964, Book 3677, Page 293, Official Records of said County,

Containing an area, after said exception, of 638 acres, more or less.

EXCEPT from the West half; the Northwest quarter of the Northwest quarter of the Northeast quarter; the South half of the Northwest quarter of the Northeast quarter; the Southwest quarter of the Northeast quarter of the Northeast quarter; the Southwest quarter of the Northeast quarter; the West half of the Southeast quarter of the Northeast quarter; the Northwest quarter of the Southeast quarter, the West half of the Northeast quarter of the Southeast quarter; the North half of the Southwest quarter of the Southeast quarter; the Southwest quarter of the Southwest quarter of the Southeast

NOV 21 1995

quarter; and the Northwest quarter of the Southeast quarter of the Southeast quarter of said Section, all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this Mineral Grant Deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous) which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LF Corporation, a Delaware Corporation, by Deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6198, Page 1098, Official Records.

PARCEL 23: (KRGW-3 UNIT A Unit A1 and UNIT B Unit B1) (APN 160-020-04)

The South half of Section 3, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1571, Official Records.

Containing an area, after said exception, of 300 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

NOV 21 1995

the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 24: (KRGW-3 UNIT A Unit A2 and UNIT B Unit B2) (APN 160-020-06)

The Southwest quarter of Section 4, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exceptions, of 159 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 25: (KRGW-3 UNIT A Unit A2 and UNIT B Unit B2) (APN 160-020-08)

PARCEL 2, in the unincorporated area of the County of Kern, State of California, as shown on amended Parcel Map NO. 1450, filed February 6, 1974, in the Office of the County Recorder of Kern County.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Said land is a division of a portion of the East half of Section 4, Township 30 South, Range 25 East, Mount Diablo Meridian.

Containing an area, after said exception, of 153 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said

NOV 21 1995

real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 26: (KRGW-3 UNIT A Unit A3) (APN 160-030-12 Ptn.)

That portion of the South half of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the Southeast quarter of the Southeast quarter of said Section 5.

Containing an area, after said exception, of 212 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 27: (KRGW-3 UNIT A Unit A4) (APN 160-030-10)

The Southeast quarter of the Southeast quarter of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 40 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 28: (KRGW-3 UNIT A Unit A5) (APN 160-030-14 Ptn.)

That portion of the Southeast quarter of Section 6, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the Northeastly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 2 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 29: (KRGW-3 UNIT A Unit A6) (APN 160-040-03 Ptn.)

That portion of Section 8, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the Northeastly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 70 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 30: (KRGW-3 UNIT A Unit A7 and UNIT B Unit B3) (APN 160-050-01 Ptn.)

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the

NOV 21 1995

Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 505 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 31: (KRGW-3 UNIT B Unit B4) (APN 160-050-04)

All of Section 10, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 638 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 32: (KRGW-3 UNIT B Unit B5) (APN 160-060-01, 160-060-02, 160-060-03)

All of Section 11, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 638 acres, more or less.

NOV 21 1995

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 33: (KRGW-3 UNIT B Unit B6) (APN 160-070-03, 160-070-04, 160-070-02, 160-070-11)

All of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion described as:

BEGINNING at the iron pipe with a 4 inch brass cap (stamped R.E. 2312, 1937) marking the Northwest corner of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, and running thence South 89° 39' East, along the Northerly boundary line of said Section 14, a distance of 415.00 feet; thence along a line parallel with the Westerly boundary line of said Section 14, the following two courses and distances, namely: South 0° 17 1/2 West, 55.00 feet to a concrete monument with a 3 inch bronze cap (marked PAC. GAS & ELECT. CO. PROP.); and thence continuing South 0° 17 1/2 West, 330.00 feet to a concrete monument with a 3 inch pipe bronze cap (marked PAC. GAS & ELECT. CO. PROP. COR.); thence along a line parallel with the Northerly boundary line of said Section 14 the following two courses and distances, namely: North 89° 39' West 360.00 feet to a concrete monument with a 3 inch bronze cap (marked PAC. GAS & ELECT. CO. PROP.); and thence continuing North 89° 39' West, 55.00 feet to a point in the Westerly boundary line of said Section 14; thence North 0° 17 1/2 East, along the Westerly boundary line of said Section 14, a distance of 385.00 feet to the Point of Beginning.

Containing an area, after said exception, of 634 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

NOV 21 1995



which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 34: (KRGW-3 UNIT B Unit B7) (APN 160-080-02 Pcn., 160-080-03, 160-080-04)

That portion of Section 15, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 451 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 35: (KRGW-3 UNIT B Unit B8) (APN 160-080-01)

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 32 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 16: (KRGW-3 UNIT 8 Unit 89) (APN 160-110-10 Ptn.)

That portion of the Northeast quarter of Section 22, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 11 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 17: (KRGW-3 UNIT 8 Unit 810) (APN 160-120-20 Ptn., 160-120-22 Ptn., 160-120-40 Ptn.)

That portion of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT all that portion lying Southerly of the Northerly line of Parcel 2, as described in the deed to the City of Bakersfield, recorded December 30, 1976, Book 4999, Page 436, Official Records, said line being described as beginning at a point on the Northeasterly boundary line of the State Highway referred to above, at "the East-West centerline of said Section 23; thence along said centerline South 88° 41' 55" East, 2790.38 feet; thence North 55° 19' 28" East, 330.00 feet; thence North 74° 21' 35" East, 450.00 feet, more or less, to the East line of said Section 23."

Containing an area, after said exception, of 282 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by

NOV 21 1995

Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 18: (KRGW-5 UNIT A) (APN 160-120-20, 160-120-22)

That portion of the South half of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeastly of the Northeastly line of the State Highway, described therein as Parcel 2, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the State of California by deed recorded March 24, 1967, Book 4037, Page 193, Official Records, described therein as Parcel 1.

ALSO EXCEPT that portion conveyed to the City of Bakersfield, a Municipal Corporation, by deed recorded December 30, 1976, Book 4999, Page 436, Official Records.

Containing an area, after said exceptions, of 65 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 19: (KRGW-7 UNIT A) (APN 160-130-03 Ptn.)

That portion of the West half and the Southeast quarter of Section 25, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly and Southwesterly of the Southwesterly boundary of that certain parcel conveyed to the State of California, for the purpose of a freeway, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 157 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

NOV 21 1995

the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 40: (KRGW-7 UNIT B) (APN 160-180-04 Ptn.)

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southwesterly of the southwesterly boundary of that certain parcel conveyed to the State of California, for the purposes of a freeway, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the West half of the Southwest quarter of the Southwest quarter of said Section 16.

Containing an area, after said exception, of 583 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.H. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 41: (KRGW-9 UNIT A) (APN 161-180-12 Ptn.)

That portion of the Northwest quarter of Section 31, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southwesterly of the southwesterly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of Kern County.

Containing an area of 6 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.H. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 42: (KRGW-11 UNIT A Unit A1) (APN 161-160-02)

All of Section 28, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the Northwest quarter, the Northwest quarter of the Southwest quarter, the Northwest quarter of the Northeast quarter of the Southwest quarter, and the Northwest quarter of the Southwest quarter of the Southwest quarter of said Section.

Containing an area, after said exception, of 420 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 43: (KRGW-11 UNIT A Unit A2) (APN 161-180-12 Ptn.)

That portion of the North half of Section 31, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the Northeast quarter of the Northwest quarter of the Northwest quarter, the Northeast quarter of the Northwest quarter, the Northeast quarter of the Southeast quarter of the Northwest quarter, the Northwest quarter of the Northeast quarter, the Northeast quarter of the Northeast quarter and the North half of the South half of the Northeast quarter of said Section.

Containing an area, after said exception, of 135 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 44: (KRGW-11 UNIT A Unit A3) (APN 161-180-04)

All of Section 32, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the North half of the South half of the Northwest quarter, the Southwest quarter of the Northwest quarter of the Northeast quarter, the North half of the Northwest quarter, the Northwest quarter of the Northeast quarter of the Northeast quarter, and the North half of the Northwest quarter of the Northeast quarter of said Section.

Containing an area, after said exception, of 480 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6138, Page 1098, Official Records.

PARCEL 45: (KRGW-11 UNIT A Unit A4) (APN 161-190-05, 161-190-10, 161-190-09, 161-190-11)

All of Section 33, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 641 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6138, Page 1098, Official Records.

PARCEL 46: (KRGW-13 UNIT A) (APN 160-130-03 Pcn.)

That portion of Section 25, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, conveyed to the State of California,

NOV 21 1995

by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of Kern County.

EXCEPT the Northeast quarter, the Northeast quarter of the Southeast quarter, the Northeast quarter of the Northwest quarter of the Southeast quarter, and the Northeast quarter of the Southeast quarter of the Southeast quarter of said Section.

Containing an area, after said exception, of 218 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 47: (KRGW-13 UNIT B) (APN 160-180-04)

That portion of Section 36, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 25 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 48: (KRGW-15 UNIT A Unit A1) (APN 160-120-12, 160-120-05, 160-120-18, 160-120-25)

That portion of Section 24, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly of a line described as follows:

NOV 2 1 1995

BEGINNING at a point on the East line of said Section 24, distant thereon South 00° 22' 38" East, 1526.351 feet from the Northeast corner thereof, which point lies on the Northerly boundary line of the Kern River Canal right of way, as hereinafter described; thence along said Northerly boundary line, South 82° 29' 42" West, 1202.846 feet to the Westerly terminus of the concrete lined section of said canal; thence South 07° 30' 18" East, 100.00 feet; thence along the Southerly boundary of the earthen section of said canal, South 82° 29' 42" West, 2181.995 feet; thence, leaving said boundary South 39° 25' 12" West, 876.787 feet; thence South 77° 55' 12" West, 1400.00 feet, more or less, to a point on the West line of said Section 24, distant thereon 340.00 feet Southerly of the West one-quarter corner thereof.

EXCEPT that portion of said Section 24 granted to the State of California for freeway purposes by deed, recorded March 24, 1967, Book 4017, Page 193, of said Official Records, more particularly described therein.

ALSO EXCEPT any portion thereof lying Northerly of the Southerly line of the Kern River Canal.

ALSO EXCEPT the Southeast quarter of the Southeast quarter, and the Southeast quarter of the Southwest quarter of the Southeast quarter of said Section 24.

Containing an area, after said exceptions, of 325 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 49: (KRGW-15 UNIT A A3) (APN 161-100-25)

All that portion of Section 19, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly of the Southerly line of the Kern River Canal, as said canal is described in deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

EXCEPT the South half of the South half of the South half, and the Northwest quarter of the Southwest quarter of the Southwest quarter of said Section 19.

Containing an area, after said exception, of 408 acres, more or less.

NOV 21 1995



ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 50: (KRGW-15 UNIT A Unit A4) (APN 161-100-13)

All that portion of Section 20, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southerly of the southerly line of the Kern River Canal, as said canal is described in deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

EXCEPT the South half of the Southeast quarter, the Southeast quarter of the Northwest quarter of the Southeast quarter, the South half of the Northeast quarter of the Southeast quarter, the South half of the South half of the Southwest quarter, the North half of the Southeast quarter of the Southwest quarter, and the Northeast quarter of the Southwest quarter of the Southwest quarter of said Section 20.

Containing an area, after said exception, of 487 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 51: (KRGW 15 UNIT A Unit A2) (APN 161-090-07)

All that portion of Section 17, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying southerly of the southerly line of the Kern River Canal, as said canal is described in Grant Deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

Containing an area of 155 acres, more or less.

NOV 21 1995

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 52: (KRGW-17 UNIT A Unit A1) (APN 160-070-06, 160-070-20, 160-070-14, 160-070-22, 160-070-19)

Section 13, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the South half of the Southeast quarter of said Section 13.

ALSO EXCEPT the South 1000 feet of the West 1000 feet of the Southwest quarter of the Northwest quarter of said Section 13, containing an area, after said exception, of 540 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 53: (KRGW 17 UNIT A Unit A2) (APN 160-120-17)

The Northwest quarter of the Northwest quarter and the West half of the West half of the Northeast quarter of the Northwest quarter of Section 24, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 50 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

NOV 21 1995

which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 54: (KRGW-17 UNIT A Unit A3) (APN 161-090-10, 161-090-01)

The North half of Section 18, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the Easterly 1700 feet of the South half of the South half of the Northwest quarter, the South half of the South half of the Northeast quarter, the Easterly 900 feet of the Northeast quarter of the Northeast quarter, and the Easterly 900 feet of the North half of the Southeast quarter of the Northeast quarter of said Section 18, containing an area, after said exception, of 222 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 55: (KRGW-19 UNIT A Unit A1 and UNIT B) (APN 160-010-12, 160-010-14, 160-010-24, 160-010-13, 160-010-26, 160-010-17)

The South half of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 306 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

NOV 21 1995

which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 56: (KRGW-19 UNIT A Unit A2) (APN 160-060-17, 160-060-04, 160-060-21, 160-060-20, 160-060-06, 160-060-18, 160-060-19, 160-060-15, 160-060-07, 160-060-09)

Section 12, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the South half of the Southwest quarter of said Section, containing an area, after said exception, of 561 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 57: (KRGW-19 UNIT A Unit A3) (APN 161-040-20, 161-040-02, 161-040-09, 161-040-10, 161-040-11)

That portion of Section 7, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the Southern Pacific Railroad Asphalt Branch, as granted to SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds, Records of said County.

Containing an area of 637 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 58: (KRGW-10 UNIT A and UNIT B) (APN 161-030-23, 161-030-08, 161-030-24)

That portion of the South half of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the Southern Pacific Railroad Asphalt Branch, as granted to the SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 166 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 59: (KWB-4-B) (APN 160-070-28)

The South 1000 feet of the West 1000 feet of the Southwest quarter of the Northwest quarter of Section 13, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 23 acres, more or less.

PARCEL 60: (KWB-5-A)

UNIT A (APN 160-070-10)

The North 385 feet of the West 415 feet of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 3.67 acres, more or less.

UNIT B (APN 160-010-40, 160-010-38, 160-010-43)

That portion of the East 5000 feet of the North half of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Northerly line of the Pioneer Canal Easement as described in PARCEL C, P-O Canal Easement Deed, recorded December 6, 1978, Book 5159, Page 2217, Official Records of said County, containing an area of 8.37 acres, more or less.

NOV 21 1995

UNIT C (APN 161-030-42)

That portion of the Northwest quarter of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying southerly of the northerly line of the Pioneer Canal Easement as described in PARCEL C, P-O Canal Easement Deed, recorded December 6, 1978, Book 5159, Page 2217, Official Records of said County.

EXCEPTING THEREFROM that portion of said Northwest quarter lying northeasterly of the southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as granted to the SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by Deed, recorded October 21, 1893, Book 47, Page 356 of Deeds, records of said County, containing an area, after said exception, of 3.25 acres, more or less.

UNIT D (APN 160-010-41)

The south 1176.00 feet of the West 165.00 feet of the Northwest quarter of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 4.45 acres, more or less.

PARCEL 61: (KRGW-29)

UNIT A (APN 161-040-26, 161-040-13)

That portion of the West half of the West half of Section 8, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying southerly of the southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as said railroad is described in deed, recorded October 21, 1893, Book 47, Page 356, Deeds, records of Kern County.

EXCEPTING THEREFROM the southerly 820 feet of the Southwest quarter of the Southwest quarter of said Section 8, as granted to the CITY OF BAKERSFIELD, a Municipal Corporation, by deed, recorded December 30, 1976, Book 4999, Page 436, Official Records.

SUBJECT TO all exceptions, reservations, terms, conditions, covenants, and restrictions contained and recited in that certain oil, gas, and/or mineral interest assignment and conveyance from TENNECO WEST, INC., to TENNECO OIL COMPANY, recorded November 18, 1988 in Book 5183, Page 1167, Official Records of said County.

Containing an area, after said exception, of 73 acres, more or less.

EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate, and maintain a State Highway over, through, and across those portions of the hereinabove described Sections 1, 11, 12, 13, 14, 23, 24, 25, 35 & 36, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, included within the lines of the parcels of land described in deeds to the State of California, recorded December 15, 1934, Book 547, Page 56; recorded August 22, 1935, Book 596, Page 34; recorded May 20, 1977, Book 5028, Page 2074; and recorded May 20, 1977, Book 5028, Page 2077, all of Official Records of Kern County. (Affects Parcels 22, 32, 33, 37, 38, 40, 46, 48, 52, 55, 56 and 59).

ALSO EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate and maintain a State Highway over, through, and across those portions of the hereinabove described Sections 34, 35 and 36, township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, included within the lines of the parcels of land described in deeds to the State of California, recorded January 15, 1937, Book 683, Page 74, and recorded January 2, 1964 in Book 3677, Page 293, both of Official Records of Kern County. (Affects Parcels 21, 22 and 40).

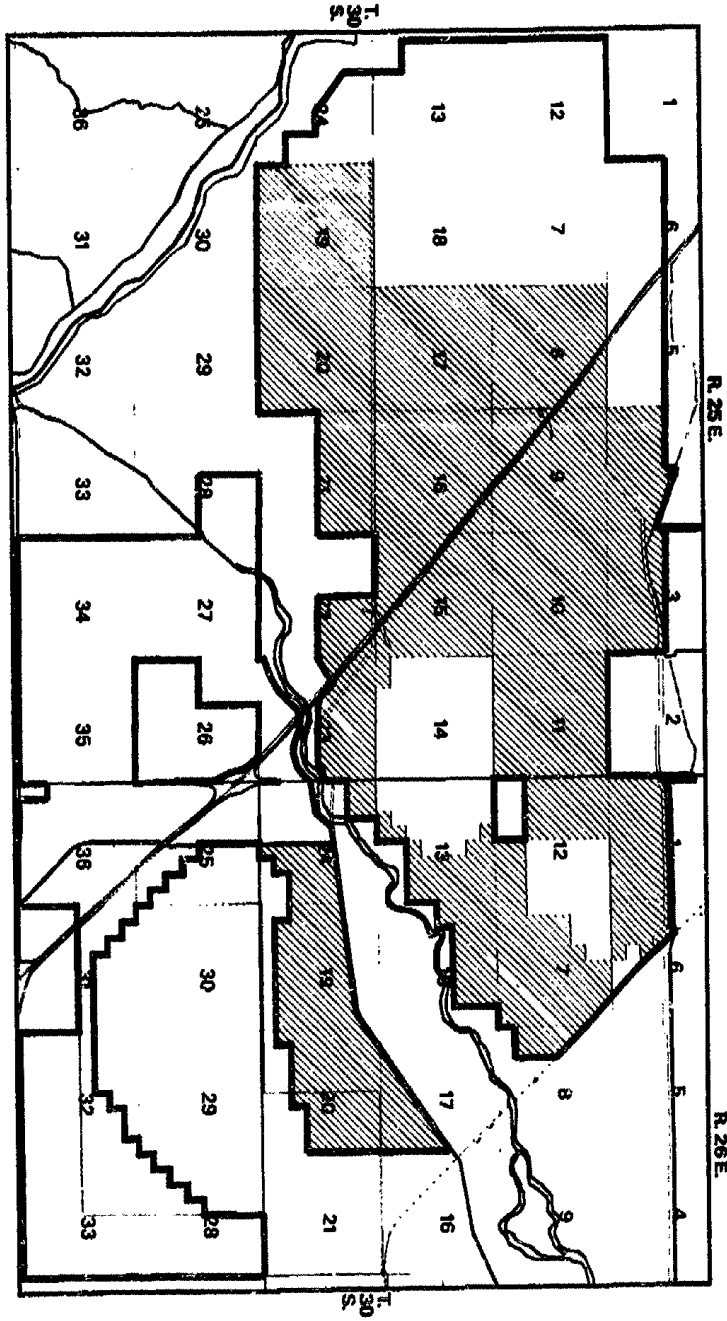
ALSO EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate, and maintain a State Highway over, through, and across the South 30 feet of the hereinabove described Sections 32 and 33, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof. (Affects Parcels 44 and 45).

Bearings and distances used in the above description are based on the California Coordinate System, Zone V, 1927.

The Director's Deed of this property from the Department of Water Resources contains the following reservation:

"The Department of Water Resources, State of California, hereby (1) reserves to itself title to one-half of the La Hacienda Program Water and one-half of the Berrenda Mesa Demonstration Program Water; and (2) grants to Kern County Water Agency one-half of the La Hacienda Program Water, one-half of the Berrenda Mesa Demonstration Program Water, all of the 1995 water and all other water on, in, or under the real property which has not been reserved to the State herein. "Berrenda Mesa Demonstration Program Water" shall mean 2,532 acre feet of groundwater that has not been extracted by the State before the Close of Escrow on the property as part of the 1990 Berrenda Mesa Demonstration Program. "La Hacienda Program Water" shall mean the 83,127 acre feet of water that has not been extracted before the close of escrow of the 98,005 acre-feet of the groundwater purchased by the State from the Kern County Water Agency, and the Kern County Water Agency from La Hacienda, Inc., in 1991. "1995 Water" shall mean all water on, in, or under the real property upon closing that was delivered to and spread upon the real property at any time during 1995 by or for the Kern County Water Agency or its member units or the members of the Kern Water Bank Authority. (Does Not Affect Parcels 62 and 63)."

The water described in this reservation, which is not otherwise reserved by Department of Water Resources, is conveyed to the Kern Water Bank Authority.



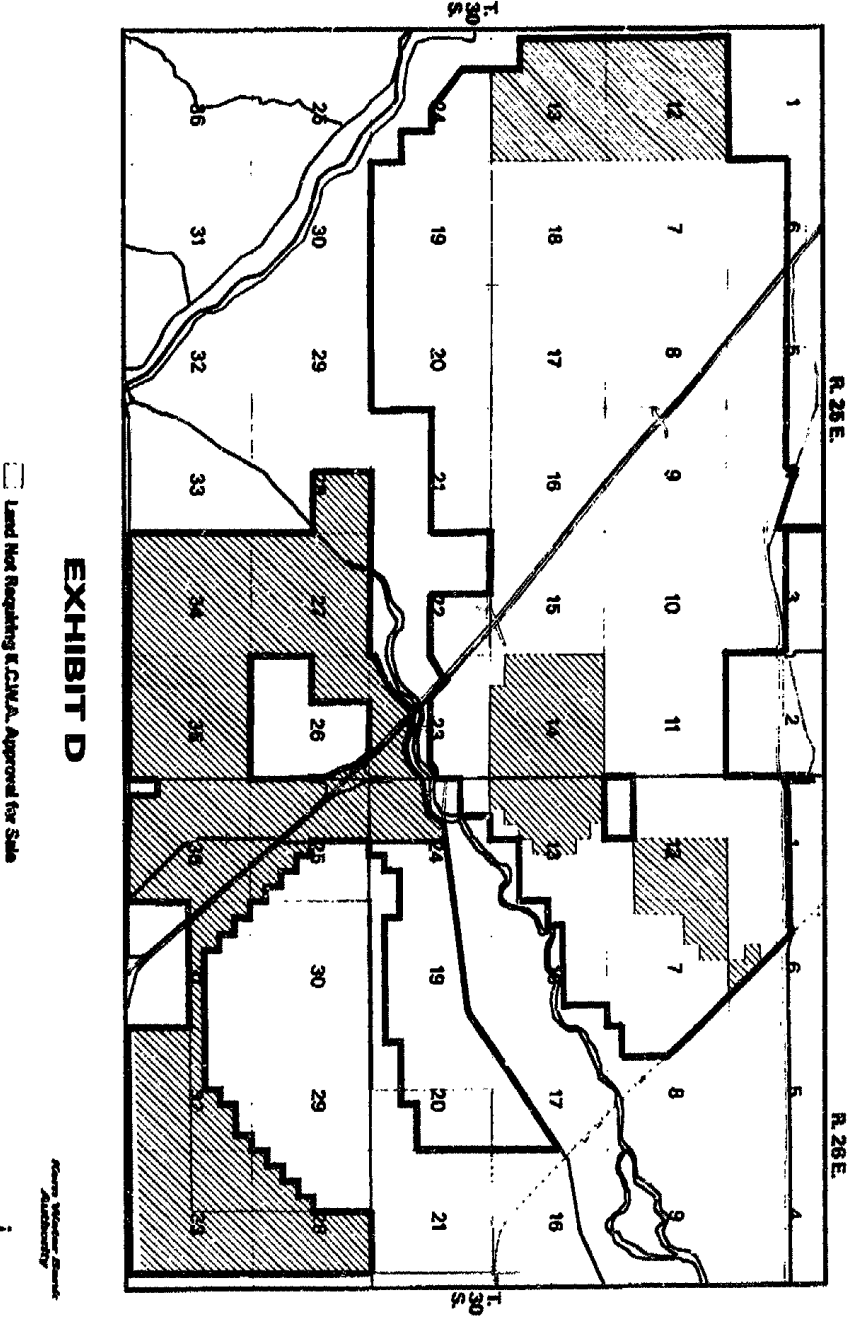
**EXHIBIT C**

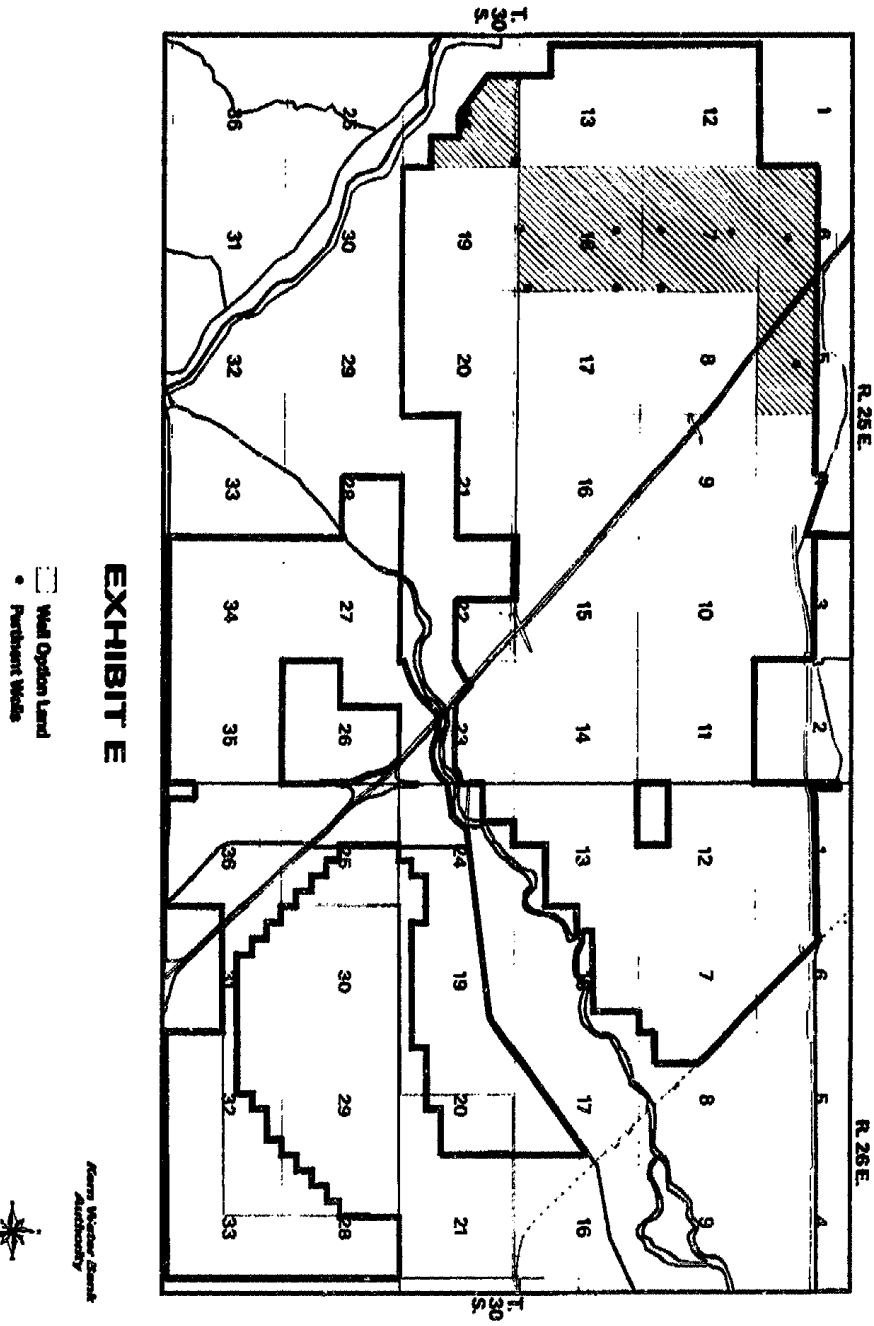
Land Requiring K.C.M.A. Approval for Sale

Kern Water Bank  
Authority









11/20/95

PAGE 1

KERN WATER BANK WATER WELLS

WELL LOC.	WELL NUMBER	WELL STATUS	DESC.
302424	24A1	OPERATIONAL	EXPAN
302507	7P1	OPERATIONAL	EXPAN
302507	7R1	OPERATIONAL	EXPAN
302508	8P1	OPERATIONAL	EXPAN
302508	8J1	OPERATIONAL	EXPAN
302511	11A1	OPERATIONAL	EXPAN
302518	18C1	OPERATIONAL	EXPAN
302518	18A1	OPERATIONAL	EXPAN
302504	4L1	OPERATIONAL	LAHAC
302505	5K1	OPERATIONAL	LAHAC
302508	8K1	OPERATIONAL	LAHAC
302507	7G1	OPERATIONAL	LAHAC
302508	8P1	OPERATIONAL	LAHAC
302508	8J1	OPERATIONAL	LAHAC
302509	8L1	OPERATIONAL	LAHAC
302515	15C1	OPERATIONAL	LAHAC
302518	15B1	OPERATIONAL	LAHAC
302515	15G1	OPERATIONAL	LAHAC
302518	18F1	OPERATIONAL	LAHAC
302518	18P1	OPERATIONAL	LAHAC
302518	18R1	OPERATIONAL	LAHAC
302517	17F1	OPERATIONAL	LAHAC
302518	18R1	OPERATIONAL	LAHAC
302518	18P1	OPERATIONAL	LAHAC
302520	20A1	OPERATIONAL	LAHAC
302520	20C1	OPERATIONAL	LAHAC
302521	21G1	OPERATIONAL	LAHAC
302538	38D1	OPERATIONAL	LAHAC
28		OPERATIONAL	
302819	19M1	NONOPERATIONAL	LAHAC
302820	20L1	NONOPERATIONAL	LAHAC
302820	20N2	NONOPERATIONAL	LAHAC
3		NONOPERATIONAL	
31			

EXHIBIT F

Exhibit G  
to  
Declaration of Covenants, Conditions & Restrictions

PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS

This Purchase Agreement and Escrow Instructions ("Agreement") is made by and between Kern County Water Agency, a public agency ("Buyer"), and \_\_\_\_\_ a joint powers agency ("Seller"), with reference to the following facts:

RECITALS

- A. Seller owns certain real property consisting of approximately \_\_\_\_\_ acres of \_\_\_\_\_ located in \_\_\_\_\_ County, California, as more particularly described in Exhibit "A" and incorporated herein by this reference (the "Real Property").
- B. Buyer and the Department of Water Resources, State of California ("DWR"), have entered into that certain Agreement for the Exchange of the Kern Fan Element of the Kern Water Bank dated \_\_\_\_\_, 1995 (the "Master Agreement"). Pursuant to the terms of the Master Agreement, DWR transferred certain real property, including the Real Property herein, to Buyer.
- C. Seller and Buyer have entered into that certain Transfer And Exchange Agreement dated as of \_\_\_\_\_, 1995, (the "Transfer Agreement") and that certain Declaration of Covenants, Conditions and Restrictions dated \_\_\_\_\_, 1995 (the "Declaration"). Pursuant to the terms of the Transfer Agreement, Buyer transferred most of the real property acquired by Buyer from DWR under the Master Agreement, to Seller herein.
- D. Pursuant to Section 3 of the Transfer Agreement, the Declaration shall create restrictions and covenants running with the Real Property. Pursuant to Section 3.4 of the Declaration, Buyer has an option on certain property described therein, on the terms and conditions described therein (the "Option").
- E. Seller has exercised the Option as to the Real Property. Pursuant to Section 3.4 of the Declaration, the parties hereto are entering into this Agreement for the purchase and sale of the Real Property.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, and for other good and valuable consideration moving between parties, Buyer and Seller agree as follows:

**AGREEMENT**

1. **Definition of Property.** Seller shall convey, transfer, assign, and deliver the Real Property to Buyer, as provided by this Agreement. The Real Property shall also include all of the following additional real, personal, and mixed property located on or relating to the Real Property: (i) all water rights and water contracts owned or used by Seller relating to the Real Property, excepting water in storage underlying the Property in the Kern Water Bank; (ii) all buildings, improvements and fixtures; (iii) all wells, pumps, motors and equipment; and (iv) all permits, approvals, easements, licenses, or other rights appurtenant to, or relating to the Property. The Real Property and the additional property described herein are collectively referred to as the "Property".

2. **Purchase and Sale: Price.**

2.1 Seller agrees to sell to Buyer and Buyer agrees to buy from Seller, all of the Property. The purchase price for the Property is the fair market value as determined in Section 2.2 (the "Purchase Price"). At least one business day prior to the Close of Escrow, Buyer shall deposit with the Escrow Holder, a bank cashier's, certified check or wire transfer in the amount of the Purchase Price.

2.2 The Purchase Price is determined in the manner provided for in Section 3.4 of the Declaration. That section provides that the purchase price for such property shall be the fair market value of the property. In the event that the parties can not agree to the fair market value of the property within 30 days after the exercise of the Option, the parties shall select an M.A.I. appraiser to appraise the property. Each party shall pay one-half of the cost of such appraisal. In the event that the parties do not agree upon an appraiser within 45 days after the exercise of the Option, each party shall name an appraiser, and those appraisers shall jointly name an appraiser to appraise such property.

3. **Escrow.** "Escrow Holder" shall be Chicago Title Insurance Company, located at 4700 Stockdale Highway, Bakersfield, California 93309. This Agreement shall, to the extent possible, act as escrow instructions. The parties agree to execute all further escrow instructions required by Escrow Holder, which further instructions shall be consistent with this Agreement. "Close of Escrow" is defined to be the recordation of the Grant Deed from Seller to Buyer for the Real Property, which shall occur on or before \_\_\_\_\_ or on such other date as the parties hereto shall mutually agree in writing.

4. **Costs and Fees.** Buyer and Seller shall each pay one-half of (i) Escrow Holder's fees; (ii) the cost of preparing, executing, and acknowledging any deeds or other

instruments required to convey title to Buyer; (iii) the cost of recording the Grant Deed required to convey title to the Real Property to Buyer or its nominee; and (iv) any taxes imposed on the conveyance of title to the Real Property to Buyer under the Documentary Transfer Tax Act. Seller shall pay any other closing costs, including the cost of the title insurance policy provided for in this Agreement.

**5. Title.**

5.1 Upon Close of Escrow, the title to the Real Property shall be subject only to those exceptions numbered \_\_\_\_\_ on Preliminary Title Report No. \_\_\_\_\_ (dated \_\_\_\_\_) ("Preliminary Title Report").

5.2 Upon Close of Escrow, the Property shall be free of all other liens or encumbrances, and Seller shall, except as to the Declaration, at its sole costs and expense, cause any title exceptions not expressly approved in 5.1 above to be removed from the Preliminary Title Report and policy of title insurance prior to Close of Escrow.

6. Possession. Full possession of the Property shall be delivered to Buyer at Close of Escrow.

7. Representations and Warranties of Seller. Seller hereby represents and warrants to Buyer that:

7.1 Seller is a California joint powers agency in good standing and has full power and authority to execute and enter into this Agreement and to consummate the transactions contemplated hereunder. This Agreement constitutes a valid and binding agreement of Seller enforceable in accordance with its terms.

7.2 To the best of Seller's actual knowledge, during Seller's ownership of the Property, Seller's ownership, use, and operation of the Property has been and is in compliance with all applicable state, federal and local statutes, ordinances, orders, requirements, laws or regulations affecting the Property.

7.3 At Close of Escrow, the Property will not be subject to any liens, or encumbrances other than those approved in Sections 5.1 and 5.2 above, and except as disclosed on Exhibit 7.3 there is no pending or to the best of Seller's actual knowledge threatened litigation or administrative proceedings affecting the Property or this Agreement. Buyer is not assuming any monetary liabilities, liens, encumbrances, or obligations of any kind (whether contractual or otherwise) related to the ownership and use of the Property by Seller prior to the Close of Escrow.

7.4 To the best of Seller's actual knowledge, during Seller's ownership of the Property, except as listed on Exhibit 7.4 hereto:

7.4.1 There have been no Hazardous Substances, or storage tanks containing Hazardous Substances, placed in, on, under, or about the Real Property, except as disclosed in the Master Agreement.

7.4.2 Seller has not conducted or authorized the generation, transportation, storage, treatment, or disposal on the Real Property of any Hazardous Substance;

7.4.3 The Real Property is not in violation of any federal, state, or local law, ordinance, regulation, order, decree or judgment relating to environmental conditions on, under, or about the Real Property.

7.4.4 There have been no (i) pending or threatened litigation or proceedings before any administrative agency; (ii) pending notices from any governmental authority, or employee or agent thereof; or (iii) communications, notices, or agreements with any governmental agency or private party any of which relate in any way to the presence, release, threat of release, placement, generation, transportation, storage, treatment, or disposal of any Hazardous Substance.

7.5 As used herein, the term actual knowledge shall mean (i) such actual knowledge of any executive, managerial, professional or technical employee of such party whose job or management duties relate in whole or in material part to the Kern Water Bank project, or (ii) information contained in written files, records or documents in the possession or control of the party to be charged with such knowledge.

"Hazardous Substance" shall have the meaning given to such term in Section 1.7 of the Master Agreement.

8. Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller that:

8.1 Buyer has the full power and authority to execute and enter into this Agreement and to consummate the transactions contemplated hereunder; and

8.2 This Agreement constitutes a valid and binding agreement of Buyer enforceable in accordance with its terms.

9. Survival of Representations and Warranties. All of the representations and warranties of Buyer and Seller made in conjunction with or pursuant to this Agreement shall survive the Close of Escrow and the delivery of the Grant Deed.

10. Buyer's Conditions of Closing. The Close of Escrow and Buyer's obligation to purchase the Property pursuant to this Agreement are expressly conditioned on:

10.1 The conveyance to Buyer of good and marketable title to such Property, as evidenced by a standard form CLTA Title Insurance Policy in the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), issued by Escrow Holder, subject only to such liens or encumbrances, as are expressly approved by Buyer in paragraph 5.1 of this Agreement.

10.2 Buyer's final inspection and reasonable approval of the condition of the Property.

10.3 Seller having delivered into escrow all documents or instruments required by this Agreement, and having complied with all other covenants and conditions to be performed or complied with by Seller; and

10.4 The representations and warranties of Seller contained in this Agreement being true on and as of the Close of Escrow as if the same were made on and as of such date.

11. Failure of Buyer's Conditions. Buyer shall notify Seller and Escrow Holder prior to the Close of Escrow of the failure of any of the conditions set forth in this Agreement. Should any of the conditions to Buyer's obligation to close the escrow and complete purchase of Property as specified in this Agreement fail to occur prior to the date established herein for the Close of Escrow, Buyer shall have the power, exercisable by giving written notice to the Escrow Holder and to Seller, to waive the condition or to cancel the Escrow, terminate this Agreement, and recover all amounts paid to Seller or to the Escrow Holder on account of the Purchase Price for the Property. The Escrow Holder shall be, and is hereby irrevocably instructed by Seller and Buyer, on any such failure of conditions and receipt of such cancellation and termination notice from Buyer, to immediately refund and deliver to Buyer all monies and instruments deposited by Buyer in Escrow pursuant to this Agreement, and to deliver to Seller all instruments deposited by Seller in escrow pursuant to this Agreement.

12. Seller's Conditions of Closing. The Close of Escrow and Seller's obligation to complete the sale of the Property to Buyer is conditioned on:

12.1 The representations and warranties of Buyer contained in this Agreement being true on and as of the Close of Escrow as if the same were made on and as of such date; and

12.2 Buyer having delivered into escrow the Purchase Price and all other funds as required by this Agreement and having complied with all other covenants and conditions to be performed or complied with by Buyer.

13. Failure of Seller's Conditions. Should any of the conditions to Seller's obligation to close the escrow and complete the sale of the Property as specified in this





Agreement fail to occur prior to the date established herein for the Close of Escrow, Seller shall have the power, exercisable by giving written notice to the Escrow Holder and to Buyer, to cancel the Escrow and terminate this Agreement. Seller's cancellation of the Escrow pursuant to this paragraph shall not constitute a waiver of any other rights or remedies available to Seller from breach of this Agreement by Buyer. The Escrow Holder shall be, and is hereby irrevocably instructed by Seller and Buyer, on any such failure of conditions and receipt of such cancellation and termination notice from Seller, to immediately refund to Buyer all monies and instruments deposited by Buyer in Escrow pursuant to this Agreement, and to deliver to Seller all instruments deposited by Seller in Escrow pursuant to this Agreement.

**14. Items to be Delivered at Close of Escrow.**

**14.1 Seller shall execute in Escrow or deliver to Escrow Holder for delivery to Buyer at Close of Escrow:**

**14.1.1 A bill of sale in a form satisfactory to the parties, covering any of the Property which is personal property, a description of which is attached hereto as Exhibit 14.1.1;**

**14.1.2 A deed for the Property, in a form corresponding to the form of the deed, by which Seller acquired the Property (the "Deed");**

**14.2 Buyer shall execute and deliver to Escrow Holder, for delivery or disbursement at the Close of Escrow:**

**14.2.1 A bank cashier's, certified check or wire transfer in an amount equal to the Purchase Price; plus the amount of Buyer's share of other costs and expenses to be borne by Buyer as set forth herein.**

**14.3 Escrow Holder shall:**

**14.3.1 Record the Deed.**

**14.3.2 Cause the final policy of title insurance to be issued and delivered to Buyer.**

**14.3.3 Deliver the Bill of Sale to Buyer.**

**14.3.4 Deliver the escrow proceeds to Seller minus its share of the costs and expenses, as herein provided.**

15. Title of Personal Property. Title to any personal property shall be conveyed to Buyer by the Bill of Sale free and clear of any mortgages, liens, charges, encumbrances, licenses, or other agreements, judgments, obligations, or other matters affecting title.

16. Indemnification.

16.1 From and after the Close of Escrow, Seller shall indemnify and hold harmless Buyer (and Buyer's directors, officers, agents and employees) against and in respect of any and all claims, demands, damages, liabilities, losses, judgments, assessments, costs and expenses (including reasonable attorneys' fees) of any kind or nature whatsoever which may be asserted by anyone against Buyer (or Buyer's directors, officers, agents or employees):

16.1.1 By reason of any act, omission, or event relating to the Real Property arising, or occurring during Seller's ownership of the Property; or

16.1.2 Based upon or related to a breach of any representation, warranty, or covenant made by Seller in this Agreement or in any exhibit, document, statement, schedule or certificate delivered pursuant to this Agreement.

16.2 From and after the Close of Escrow, Buyer shall indemnify and hold harmless Seller (and seller's members, officers, agents and employees) against and in respect of any and all claims, demands, damages, liabilities, losses, judgments, assessments, costs, and expenses (including reasonable attorneys' fees) of any kind or nature whatsoever which may be asserted by anyone against Seller (or Seller's members, officers, agents or employees):

16.2.1 By reason of any act, omission, or event arising, or occurring during Buyer's ownership of the Property; or

16.2.2 Based upon or related to a breach of any representation, warranty, or covenant made by Buyer in this Agreement or in any exhibit, document, statement, schedule or a certificate delivered pursuant to this Agreement.

17. Entire Agreement. This Agreement constitutes the sole and only agreement between Buyer and Seller concerning the Property and their rights and duties in connection with the Property. Any prior or other agreements or representations between Buyer and Seller regarding those matters are null and void unless expressly set forth in this Agreement.

18. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of California.

19. Notices. All notices and demands of any kind which either party may be required or desires to serve upon the other party shall be in writing and shall be served upon

such other party by personal service, facsimile transmission, or by mailing a copy thereof, certified or registered mail, postage prepaid, addressed as follows:

If to Seller: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Buyer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Service shall be deemed complete on the date of personal service, facsimile transaction or the actual delivery as shown on the addressee's return receipt, whichever is earlier. The addresses to which notices and demands shall be delivered or sent may be changed from time to time by notice to the other party.

20. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same agreement.

SELLER:

Dated: \_\_\_\_\_

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

BUYER:

Dated: \_\_\_\_\_

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

223313.2


CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California  
 County of Kern

On Dec. 14, 1995 before me, Pam Hyles, personally appeared  
Adrienne J. Mathews

       personally known to me -OR-        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.

WITNESS my hand and official seal.



Pam Hyles  
 NOTARY PUBLIC

- OPTIONAL SECTION -

Capacity Claimed by Signer:  
 Individual        Corporate Officer(s)        Title(s)         
 Partner(s)        Limited        General         
 Attorney-in-Fact        Trustee(s)        Guardian/Conservator         
 Other         
 Signer is Representing Person/Entity       

- OPTIONAL SECTION -

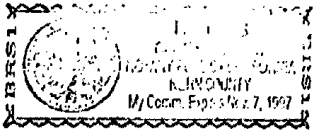
Title or Type of Document         
 Number of Pages        Date of Document         
 Signer(s) other than named above

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California  
 County of Kern

On Dec. 14, 1995 before me, Pam Hyles, personally appeared William Phillimore

         personally known to me ~~OR~~          proved to me on the basis of satisfactory evidence to be the person(s) whose name ~~is~~ 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.



WITNESS my hand and official seal.

*Pam Hyles*  
 NOTARY PUBLIC

- OPTIONAL SECTION -

Capacity Claimed by Signer:  
 Individual          Corporate Officer(s)          Title(s)           
 Partner(s)          Limited          General           
 Attorney-in-Fact          Trustee(s)          Guardian/Conservator           
 Other           
 Signer is Representing Person/Entity         

- OPTIONAL SECTION -

Title or Type of Document           
 Number of Pages          Date of Document           
 Signer(s) other than named above

12. Exception\_15\_0196107584

James Maples-Assessor-Recorder  
Kern County Official Records

PATTI  
Pages: 44  
8/22/1996  
11:56:15

DOCUMENT #: 0196107584

RECORDING REQUESTED BY )  
AND WHEN RECORDED MAIL TO: )

Nossaman, Guthner, Knox & Elliott )  
445 S. Figueroa Street, 31st Floor )  
Los Angeles, California 90071 )  
Attention: Fredric W. Kessler, Esq. )

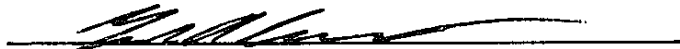


Fees  
Taxes  
Other

Stat. Types: 1 TOTAL PAID

Space Above Line for Recorder's Use Only

Exempt from recording fee pursuant to Government Code §27383.  
This document is exempt from Documentary Transfer Tax.

  
Declarant, of Law Offices of Young Wooldridge  
Attorneys for Kern Water Bank Authority

**TRUST AGREEMENT**

by and between

**WESTSIDE MUTUAL WATER COMPANY, LLC,**

a California Limited Liability Company

("Westside"),

and

**KERN WATER BANK AUTHORITY,**

a public entity created pursuant to the

Joint Exercise of Powers Act

(the "Authority")

*As of October 17, 1995*

## TRUST AGREEMENT

This Trust Agreement is made and entered into as of October 17, 1995 by and between **WESTSIDE MUTUAL WATER COMPANY, LLC**, a California Limited Liability Company ("**Westside**"), and **KERN WATER BANK AUTHORITY** (the "**Authority**" or the "**Trustee**"), a public entity created pursuant to the Joint Exercise of Powers Act, Articles 1 and 2 of Chapter 5 of Subdivision 7 of Title 1 of the Government Code of the State of California (the "**Law**").

### RECITALS

A. Westside is a party to that certain Joint Powers Agreement for the Kern Water Bank Authority dated October 16, 1995 (the "JP Agreement") which created the Authority for the purpose of developing, operating and maintaining the Kern Fan Element Property (approximately 19,890 acres) and related assets of the Kern Water Bank (the "Project") for the Authority's benefit and the benefit of Westside and the other entities which are members of the Authority (together, the "Members"). The Project is more particularly described in Exhibit A attached hereto and made a part hereof.

B. Pursuant to Section 5.8(b) of the JP Agreement, Westside has the right, exercisable by the delivery of written notice to the Authority, to elect to vest title to all water Westside spreads on the Project, for itself, its lessees and contracting parties, in the Authority, in trust for the benefit of Westside. Westside has made such election and delivered such notice to the Authority. As further authorized by Section 5.8(b) of the JP Agreement, Westside and the Authority now desire to better confirm such trust and establish its terms by this Trust Agreement.

C. This Trust Agreement, as originally executed or as it may from time to time be supplemented, modified or amended, is hereinafter referred to as the "Trust Agreement".

### ARTICLE I

#### PURPOSE; ACCEPTANCE OF TRUST; DUTIES OF TRUSTEE

**Section 1.1. Purpose.** This trust is formed for the purpose of vesting title to all water to which Westside or its lessees or contracting parties are lawfully entitled and which Westside spreads or causes to be spread on the Project from time to time, for itself, its lessees and contracting parties (the "Water"), in the Authority, in trust for the benefit of Westside.

**Section 1.2. Trustee Accepts Trust.** By execution of this Trust Agreement the Trustee agrees to serve as Trustee and hold in trust and administer the Water pursuant to this Trust Agreement. The Trustee shall perform such duties as are expressly and specifically set forth in this Trust Agreement and such other duties as are reasonably

incidental thereto. The Trustee shall have and exercise such of the rights and powers vested in it by this Trust Agreement and available to the Trustee under the laws of the State of California and reasonably necessary to perform the duties of the Trustee hereunder. In the performance of its duties, the Trustee shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under like circumstances in the conduct of such person's own affairs.

**Section 1.3. Duties of Trustee.**

(a) The Trustee shall receive and retain in trust under the terms of this Trust Agreement all Water spread on the Project by or for the benefit of Westside, its lessees and contracting parties. Westside shall direct the Trustee in the recharge, recovery, sale, transfer, delivery or other disposition of all Water and the Trustee agrees that it shall take no action with respect thereto in the absence of such direction, other than the actions required or permitted to be taken by the Authority under the terms of the JP Agreement and the Operating Rules and Regulations (as defined in Section 2.4(n) of the JP Agreement in effect from time to time (the "Operating Rules and Regulations").

(b) Westside hereby authorizes and directs the Trustee to execute and deliver, from time to time only as Westside may direct, any and all agreements and documents which may be required in order to recharge, recover, sell, transfer, deliver or otherwise dispose of any of the Water.

**ARTICLE II**

**TRANSFER; REVOCATION; TERMINATION; SUCCESSOR TRUSTEE**

**Section 2.1. Transfer in Trust; Duration of Title to Water.** Westside hereby grants, transfers and assigns to Trustee, in trust, on all the terms and conditions of this Trust Agreement, all Water heretofore or hereafter spread on the Project. Trustee shall be vested with title to Water in trust from the date the Water enters onto the Project until the date the Water is extracted from and conveyed outside the surface boundaries of the Project by or on behalf of Westside. Such period of vesting shall be automatic, without necessity of executing any further document or instrument of transfer. Subject to loss allocations under the certain Memorandum of Understanding Regulating Operatings and Monitoring of the Kern Water Bank Groundwater Banking Program dated October 26, 1995, title to Water during such period of vesting shall be and remain vested in Trustee in trust regardless of where the Water in underground storage is physically located from time to time.

**Section 2.2. Trust Revocable.** Irrespective of any other provision of this Trust Agreement, Westside may at its option at any time revoke this trust and vest title to the Water in (or as directed by) Westside by delivery of written instructions to such effect to the Trustee. Upon receipt of such instructions, the Trustee shall transfer title to the



Water to (or as directed by) Westside and the trusts created hereby shall thereupon terminate.

**Section 2.3. Termination of Trust Upon Termination of Authority or Voiding of Trust Agreement.** The trust shall be terminated automatically (a) in the event of the termination of the Authority by mutual consent of the Members or (b) if for any reason a party to this Trust Agreement has and exercises any statutory right to declare this Trust Agreement void. The Trustee shall thereupon transfer title to the Water to (or as directed by) Westside and the trusts created hereby shall thereupon terminate.

**Section 2.4. Successor Trustee.** Under Section 5.6(c) of the JP Agreement, any transfer of a Member's interest in the Authority will effect an immediate and automatic dissolution of the Authority and the immediate and automatic reconstitution of a new joint powers authority (the "New Authority") with rights, obligations and liabilities identical to those of the Authority. In such event, the New Authority shall immediately and automatically succeed the Trustee hereunder; provided, however, if requested by Westside, the successor Trustee shall signify its acceptance of such appointment by executing and delivering to Westside a written acceptance thereof including its agreement to be bound by this Trust Agreement. The successor Trustee, without any further act, deed or conveyance, shall become vested with title to the Water and all other properties, rights, powers, trust duties and obligations of the predecessor Trustee, with like effect as if originally named Trustee herein; but nevertheless the predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance, and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to the Water and any other property held by it under this Trust Agreement and shall pay over, transfer, assign and deliver to the successor Trustee any property subject to the trusts.

### ARTICLE III

#### COSTS AND EXPENSES; INDEMNIFICATION;

#### LIABILITY OF TRUSTEE

**Section 3.1. Costs, Expenses and Indemnification.** The Trustee shall not be entitled to receive any fee or other compensation for serving as Trustee under this Trust Agreement. The Trustee shall bear all routine costs and expenses in administration of the trust which would be incurred absent creation of this trust (such as general overhead and office expense, personnel, accounting and non-litigation legal services), such routine costs and expenses to be funded from the Authority's budget under the JP Agreement. Westside shall indemnify and save the Trustee and its Members harmless against any liabilities which it or they may incur (other than such routine costs and expenses) in the exercise and performance of Trustee's powers and duties hereunder, including the enforcement of any remedies and the defense of any suit, and which are not due to Trustee's negligence or breach of fiduciary obligation (unless such

negligence or breach occurs at the direction of or by persons under the supervision and control of Westside or its members, officers or agents). Such duty of Westside to indemnify the Trustee and its Members shall survive the termination and discharge of this Trust Agreement and the JP Agreement. Notwithstanding the foregoing, Westside shall have no obligation to indemnify or hold harmless Trustee or its Members in the exercise or performance by Trustee of powers and duties which are exercised pursuant to, rather than in addition to, its powers and duties under the JP Agreement and the Operating Rules and Regulations.

**Section 3.2. Liability.**

(a) The Trustee and its Members shall not be liable in connection with the performance of Trustee's duties hereunder, except for Trustee's own negligence or breach of fiduciary obligation (unless such negligence or breach occurs at the direction of or by persons under the supervision and control of Westside or its members, officers or agents). The Trustee and its Members shall not be liable for any action taken or omitted by Trustee in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Trust Agreement.

(b) The Trustee and its Members shall not be liable for any error of judgment made in good faith by a responsible officer of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts (provided that if such negligence is proven, Trustee nevertheless shall not be liable if it proves that such negligence occurred at the direction of or by persons under the supervision and control of Westside or its members, officers or agents).

(c) The Trustee and its Members shall not be liable for any action taken by an agent of the Trustee so long as such agent was selected by the Trustee with due care.

**Section 3.3. Right to Rely on Documents.** The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel for Westside with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith. Whenever in the administration of the trust established hereunder the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter may be deemed to be conclusively proved and established by a written certificate of Westside; and such written certificate shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Trust Agreement in reliance upon such written certificate. In its discretion the Trustee may accept other evidence of such matter in lieu of a certificate of Westside as it may deem reasonable.

**ARTICLE IV**

**MISCELLANEOUS**

**Section 4.1. Integration with JP Agreement.** Nothing contained in this Trust Agreement is intended or shall be construed as changing or superseding any of the provisions of the JP Agreement or the Operating Rules and Regulations. To the maximum extent practicable, the provisions of this Trust Agreement shall be construed and interpreted in a manner supplementary to and consistent with the provisions of the JP Agreement and Operating Rules and Regulations; but in the event of any irreconcilable conflict, the latter provisions shall control.

**Section 4.2. Amendments Permitted.** This Trust Agreement and the rights and obligations of Westside and the Trustee may be modified or amended from time to time and at any time by written amendment executed by Westside and the Trustee.

**Section 4.3. Preservation and Inspection of Documents.** All documents received by the Trustee under the provisions of this Trust Agreement shall be retained in its possession and shall be subject during business hours and upon 24 hours notice to inspection by Westside and its agents and representatives duly authorized in writing.

**Section 4.4. Notices.** All notices and communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the following addresses, or to such changed address as are communicated to the other party in writing:

if to Westside:                        Westside Mutual Water Company, LLC  
  c/o Paramount Farming Company  
  33141 East Lerdo Hwy.  
  Bakersfield, California 93308

if to the Trustee:                        Kern Water Bank Authority  
  c/o The Law Offices of Young Woodridge  
  1800 30th Street, Fourth Floor  
  Bakersfield, California 93301


**Section 4.5. Governing Law.** This Trust Agreement shall be governed and construed in accordance with the laws of the State of California.

**Section 4.6. Execution in Several Counterparts.** This Trust Agreement may be executed in any number of counterparts and each such counterpart shall for all purposes be deemed to be an original; and all such counterparts, or as many of them


as Westside and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, this Trust Agreement has been executed as of the day and year first written above.

**WESTSIDE MUTUAL WATER COMPANY, LLC**

By   
Name: WILLIAM D. PHILLIMORE  
Title: RVP.

**KERN WATER BANK AUTHORITY**

By   
Name: WILLIAM A. TAUBE  
Title: VICE-CHAIRMAN

**EXHIBIT A**  
**Legal Description of the Project**

LA1961410072  
6/13/96

KWB-2-AR

All that certain real property situate in the unincorporated area of the County of Kern, State of California, described in Deeds to the STATE OF CALIFORNIA, recorded August 31, 1988, Book 6158, Pages 1098 through 1119; recorded March 22, 1990, Book 6350, Pages 1923 through 1925; March 7, 1990, in Book 6354, Pages 998 through 1000; and March 7, 1990, Book 6354, Pages 989 through 991, all of Official Records in the Office of the County Recorder of said Kern County, being more or less described herein as follows:

PARCEL 1: (KRGW-1 UNIT A Unit A1) (APN 159-010-02)

Section 12, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, and containing an area of 640 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158 Page 1098, Official Records.

PARCEL 2: (KRWG-1 UNIT A Unit A2) (APN 159-180-03)

Section 13, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING the Southwest quarter of the Southwest quarter of said Section, and containing an area, after said exception, of 602 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

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**EXHIBIT A**

PARCEL 3: (KRGW-1 UNIT A Unit A3) (APN 159-130-04)

The Northeast quarter, the Northeast quarter of the Southeast quarter, and the East half of the Northwest quarter of Section 24, Township 30 South, Range 24 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion of said Section 24 described in deed to the State of California, recorded January 23, 1933, Book 458, Page 481, Official Records of said County, described as follows:

BEGINNING at the Northwest corner of the Southeast quarter of the Northwest quarter of said Section 24, and thence South 51° 52' East a distance of 2130 feet, more or less, to a point on the South line of the North half of said Section 24; thence West along said South line a distance of 1672.8 feet to the Southwest corner of said Southeast quarter of the Northwest quarter of said Section 24; and thence North along the West line of said Southeast quarter of the Northwest quarter of said Section 24 to the Point of Beginning.

Containing an area, after said exception, of 255 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 4: (KRGW-1 UNIT A Unit A8) (APN 160-090-01, 160-090-02)

Section 18, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 650 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 5: (KRGW 1 UNIT A Unit A3 and UNIT B Unit B5) (APN 160-100-08, 160-100-07, 160-100-02)

Section 19, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 125302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records of said County.

Containing an area of 626 acres, more or less.

ALSO EXCEPT from the East half of the Southeast quarter of the Southwest quarter of the Southwest quarter, the Southwest quarter of the Southeast quarter of the Southwest quarter of the Southwest quarter, and the West half of the Southeast quarter of the Southwest quarter of said Section, all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this MINERAL GRANT DEED shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove, and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 6: (KRGW-1 UNIT A Unit A4) (APN 160-030-14 Ptn.)

That portion of the South half of Section 6, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the State Highway as granted to the State of



California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County, and containing an area of 319 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1938, Book 6158, Page 1098, Official Records.

PARCEL 7: (KRGW-1 UNIT A Unit A4) (APN 160-030-14, 160-030-12 Ptn.)

That portion of the Southwest quarter of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County, and containing an area of 52 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1938, Book 6158, Page 1098, Official Records.

PARCEL 8: (KRGW-1 UNIT A Unit A5) (APN 160-040-01, 160-040-02)

Section 7, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, and containing an area of 553 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 9: (KRGW-1 UNIT A Unit A6) (APN 160-040-03 Ptn.)

That portion of Section 8, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said Kern County.

EXCEPT those portions conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1, by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302, a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, of Official Records.

Containing an area, after said exception, of 546 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 10: (KRGW-1 UNIT B Unit B1) (APN 160-050-01 Ptn.)

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPT those portions conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal and Cross Valley Canal Pumping Plant Number 1 by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, in Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 85 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word

NOV 21 1995

and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous, which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 11: (KRGW-1 UNIT A Unit A7 and UNIT B Unit B4) (APN 160-090-03)

Section 17, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by the FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, in Book 5421, Page 1531, Official Records.

Containing an area of 604 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 12: (KRGW-1 UNIT B Unit B3) (APN 160-080-01 Ftn.)

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal in FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 591 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word

NOV 21 1995

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"minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 13: (KRGW-1 UNIT B Unit B2) (APN 160-080-02 Ptn.)

That portion of Section 15, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records, containing an area of 154 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 14: (KRGW-1 UNIT B Unit B6) (APN 160-100-09, 160-100-10, 160-100-04, 160-100-05)

Section 20, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302, a certified copy thereof was recorded December 1, 1961, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 642 acres, more or less.

ALSO EXCEPT from the Southwest quarter of the Southeast quarter of the Southwest quarter and the South half of the Southwest quarter of the Southwest quarter of said Section, all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products,

NOV 2 1995

both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 15: (KRGW-1 UNIT B Unit B7) (APN 160-110-13)

The North half of Section 21, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 320 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 16: (KRGW-1 UNIT B Unit 88) (APN 160-110-10 Ptn.)

That portion of the Northeast quarter of Section 22, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 138 acres, more or less.

NOV 21 1985

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 17: (KRGW-1 UNIT B Unit B9 and UNIT C Unit C6) (APN 160-120-39, 160-120-40 Ptn.)

That portion of the West half and that portion of the Southeast quarter of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of State Highway, as granted to State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of said County.

EXCEPT that portion conveyed to West Kern Water District, by deed recorded August 22, 1988, Book 6155, Page 1405, Official Records. Containing an area, after said exception, of 99 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 18: (KRGW-1 UNIT C Unit C3) (APN 160-140-15, 160-140-18)

The Northeast quarter of Section 28, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 160 acres, more or less.

EXCEPT from the Southwest quarter of the Northeast quarter of the Northeast quarter; the South half of the Northwest quarter of the Northeast quarter; all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products, both metallic and nonmetallic,

NOV 21 1995

solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas, and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 19: (KRGW-1 UNIT C Unit C2) (APN 160-140-03, 160-140-04)

Section 27, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 638 acres, more or less.

EXCEPT from the Southwest quarter of the Southwest quarter of the Northeast quarter; the Northwest quarter of the Southeast quarter of the Northwest quarter; the South half of the Southeast quarter of the Northwest quarter; the Southwest quarter of the Northwest quarter; the West half of the Northeast quarter of the Southeast quarter; the Northwest quarter of the Southeast quarter, the South half of the Southeast quarter; and the Southwest quarter of said Section; all of the oil, gas and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this mineral grant deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other minerals substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

NOV 21 1995

ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988 in Book 6158 Page 1098, of Official Records.

PARCEL 20: (KRGW-1 UNIT C Unit C1) (APN 160-130-07)

The Northwest quarter of Section 26, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING the East half of the East half of said Northwest quarter, containing an area, after said exception, of 120 acres, more or less.

ALSO EXCEPT of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 21: (KRGW-1 UNIT C Unit C4) (APN 160-170-03, 160-170-04)

Section 34, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 639 acres, more or less.

EXCEPT from the North half; the North half of the South half, the Northeast quarter of the Southeast quarter of the Southwest quarter; the North half of the Southwest quarter of the Southeast quarter; the Southeast quarter of the Southwest quarter of the Southeast quarter; and the Southeast quarter of the Southeast quarter of said Section, all of the oil, gas and other minerals of whatsoever kind or character whether now known to exist or hereinafter discovered (it being intended that the word "minerals" as used in this Mineral Grant Deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous) which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill

NOV 21 1995



for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by Deed recorded December 13, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 22: (KRGW-1 UNIT C Unit C5) (APN 160-180-01, 160-180-02 Ptn.)

Section 35, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPTING THEREFROM that portion described in Director's Deed, KRGW-1-A, recorded March 22, 1990, Book 6360, Page 1927, Official Records, being more or less recited herein as follows:

That portion of Section 35, Township 30 South, Range 25 East, Mount Diablo Meridian, County of Kern, State of California, according to the Official Plat thereof, lying South of the South right of way line of State Highway 119, said right of way being more particularly described in State Highway Deed to the State of California, recorded January 15, 1937, Book 683 Page 74, Official Records of said Kern County.

EXCEPTING THEREFROM the East 758.43 feet of said Section 35, as described in Easement Deed to the State of California, recorded January 2, 1964, Book 3677, Page 293, Official Records of said County,

Containing an area, after said exception, of 638 acres, more or less.

EXCEPT from the West half; the Northwest quarter of the Northwest quarter of the Northeast quarter; the South half of the Northwest quarter of the Northeast quarter; the Southwest quarter of the Northeast quarter of the Northeast quarter; the Southwest quarter of the Northeast quarter; the West half of the Southeast quarter of the Northeast quarter; the Northwest quarter of the Southeast quarter, the West half of the Northeast quarter of the Southeast quarter; the North half of the Southwest quarter of the Southeast quarter; the Southwest quarter of the Southwest quarter of the Southeast

NOV 21 1995

quarter; and the Northwest quarter of the Southeast quarter of the Southeast quarter of said Section. all of the oil, gas, and other minerals of whatsoever kind or character whether now known to exist or hereafter discovered (it being intended that the word "minerals" as used in this Mineral Grant Deed shall be defined in the broadest sense of the word and shall include, but not be limited to, all hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous) which are upon, in, under, or may be produced from the surface thereof down to a depth of 12,000 feet below the surface of said land, including all rights of reverter; all salt water which is in, under, or may be produced from said lands, the exclusive right, by whatsoever methods now or hereafter known, as grantee deems advisable, to prospect for, investigate, explore for, drill for, produce, mine, extract, remove and reduce to grantee's exclusive possession and ownership, all oil, gas, salt water, and all other minerals which are upon, in, under, or may be produced from said lands, as granted to Tenneco LT Corporation, a Delaware Corporation, by Deed recorded December 10, 1974, Book 4872, Page 170, Official Records.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 23: (KRGW-3 UNIT A Unit A1 and UNIT B Unit B1) (APN 160-020-04)

The South half of Section 3, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 300 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

NOV 21 1995

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the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 24: (KRGW-3 UNIT A Unit A2 and UNIT B Unit B2) (APN 150-020-06)

The Southwest quarter of Section 4, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exceptions, of 159 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 25: (KRGW-3 UNIT A Unit A2 and UNIT B Unit B2) (APN 160-020-08)

PARCEL 2, in the unincorporated area of the County of Kern, State of California, as shown on amended Parcel Map NO. 1450, filed February 6, 1974, in the Office of the County Recorder of Kern County.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Said land is a division of a portion of the East half of Section 4, Township 30 South, Range 25 East, Mount Diablo Meridian.

Containing an area, after said exception, of 153 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said

NOV 21 1995

real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 26: (KRGW-3 UNIT A Unit A3) (APN 160-030-12 Ptn.)

That portion of the South half of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the Southeast quarter of the Southeast quarter of said Section 5.

Containing an area, after said exception, of 212 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 27: (KRGW-3 UNIT A Unit A4) (APN 160-030-10)

The Southeast quarter of the Southeast quarter of Section 5, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 41 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 28: (KRGW-3 UNIT A Unit A5) (APN 160-030-14 Ptn.)

That portion of the Southeast quarter of Section 6, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 2 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 29: (KRGW-3 UNIT A Unit A6) (APN 160-040-03 Ptn.)

That portion of Section 8, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 70 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 30: (KRGW-3 UNIT A Unit A7 and UNIT B Unit B3) (APN 160-050-01 Ptn.)

That portion of Section 9, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the

NOV 21 1995

Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 505 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 31: (KRGW-3 UNIT B Unit 84) (APN 160-050-04)

All of Section 10, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 638 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 32: (KRGW-3 UNIT B Unit 85) (APN 160-060-01, 160-060-02, 160-060-03)

All of Section 11, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 638 acres, more or less.

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EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 33: (KRCW-3 UNIT B Unit B6) (APN 160-070-03, 160-070-04, 160-070-02, 160-070-11)

All of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion described as:

BEGINNING at the iron pipe with a 4 inch brass cap (stamped R.E. 2312, 1937) marking the Northwest corner of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, and running thence South 89° 39' East, along the Northerly boundary line of said Section 14, a distance of 415.00 feet; thence along a line parallel with the Westerly boundary line of said Section 14, the following two courses and distances, namely: South 0° 17 1/2 West, 55.00 feet to a concrete monument with a 3 inch bronze cap (marked PAC. GAS & ELECT. CO. PROP.); and thence continuing South 0° 17 1/2 West, 330.00 feet to a concrete monument with a 3 inch pipe bronze cap (marked PAC. GAS & ELECT. CO. PROP. COR.); thence along a line parallel with the Northerly boundary line of said Section 14 the following two courses and distances, namely; North 89° 39' West 360.00 feet to a concrete monument with a 3 inch bronze cap (marked PAC. GAS & ELECT. CO. PROP.); and thence continuing North 89° 39' West, 55.00 feet to a point in the Westerly boundary line of said Section 14; thence North 0° 17 1/2 East, along the Westerly boundary line of said Section 14, a distance of 385.00 feet to the Point of Beginning.

Containing an area, after said exception, of 634 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

NOV 24 1993

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which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 34: (KRGW-3 UNIT B Unit B7) (APN 160-080-02 Ptn., 150-080-03, 160-080-04)

That portion of Section 15, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 451 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 35: (KRGW-3 UNIT B Unit B8) (APN 160-080-01)

That portion of Section 16, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 32 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995



PARCEL 36: (KRGW-3 UNIT B Unit B9) (APN 160-110-10 Ptn.)

That portion of the Northeast quarter of Section 22, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 11 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 37: (KRGW-3 UNIT B Unit B10) (APN 160-120-20 Ptn., 160-120-22 Ptn., 160-120-40 Ptn.)

That portion of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, as granted to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT all that portion lying Southerly of the Northerly line of Parcel 2, as described in the deed to the City of Bakersfield, recorded December 30, 1976, Book 4999, Page 436, Official Records, said line being described as beginning at a point on the Northeasterly boundary line of the State Highway referred to above at "the East-West centerline of said Section 23; thence along said centerline South 88° 41' 55" East, 2790.38 feet; thence North 55° 19' 28" East, 330.00 feet; thence North 74° 21' 35" East, 450.00 feet, more or less, to the East line of said Section 23."

Containing an area, after said exception, of 282 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by

NOV 2 1995

Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 38: (KRGW-5 UNIT A) (APN 160-120-20, 160-120-22)

That portion of the South half of Section 23, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, described therein as Parcel 2, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT that portion conveyed to the State of California by deed recorded March 24, 1967, Book 4037, Page 193, Official Records, described therein as Parcel 1.

ALSO EXCEPT that portion conveyed to the City of Bakersfield, a Municipal Corporation, by deed recorded December 30, 1976, Book 4999, Page 436, Official Records.

Containing an area, after said exceptions, of 65 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 39: (KRGW-7 UNIT A) (APN 160-130-03 Ptn.)

That portion of the West half and the Southeast quarter of Section 25, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly and Southwesterly of the Southwesterly boundary of that certain parcel conveyed to the State of California, for the purpose of a freeway, recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 157 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with

NOV 21 1995

the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 40: (KRGW-7 UNIT B) (APN 160-180-04 Ptn.)

That portion of Section 36, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly boundary of that certain parcel conveyed to the State of California, for the purposes of a freeway, recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the West half of the Southwest quarter of the Southwest quarter of said Section 36.

Containing an area, after said exception, of 583 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 41: (KRGW-9 UNIT A) (APN 161-180-12 Ptn.)

That portion of the Northwest quarter of Section 31, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of Kern County.

Containing an area of 6 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 21 1995

PARCEL 42: (KPGW-11 UNIT A Unit A1) (APN 161-160-02)

All of Section 28, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the Northwest quarter, the Northwest quarter of the Southwest quarter, the Northwest quarter of the Northeast quarter of the Southwest quarter, and the Northwest quarter of the Southwest quarter of the Southwest quarter of said Section.

Containing an area, after said exception, of 420 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 43: (KRGW-11 UNIT A Unit A2) (APN 161-180-12 Ptn.)

That portion of the North half of Section 31, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

EXCEPT the Northeast quarter of the Northwest quarter of the Northwest quarter, the Northeast quarter of the Northwest quarter, the Northeast quarter of the Southeast quarter of the Northwest quarter, the Northwest quarter of the Northeast quarter, the Northeast quarter of the Northeast quarter and the North half of the South half of the Northeast quarter of said Section.

Containing an area, after said exception, of 135 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

104 2 1 1995

PARCEL 44: (KRGW-11 UNIT A Unit A3) (APN 161-190-04)

All of Section 32, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the North half of the South half of the Northwest quarter, the Southwest quarter of the Northwest quarter of the Northeast quarter, the North half of the Northwest quarter, the Northwest quarter of the Northeast quarter of the Northeast quarter, and the North half of the Northwest quarter of the Northeast quarter of said Section.

Containing an area, after said exception, of 480 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 45: (KRGW-11 UNIT A Unit A4) (APN 161-190-05, 161-190-10, 161-190-09, 161-190-11)

All of Section 33, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

Containing an area of 641 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and non-metallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 46: (KRGW-13 UNIT A) (APN 160-130-03 Ptn.)

That portion of Section 25, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, conveyed to the State of California,

NOV 21 1995

by deed recorded March 24, 1967, Book 4037, Page 193, Official Records of Kern County.

EXCEPT the Northeast quarter, the Northeast quarter of the Southeast quarter, the Northeast quarter of the Northwest quarter of the Southeast quarter, and the Northeast quarter of the Southeast quarter of the Southeast quarter of said Section.

Containing an area, after said exception, of 215 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 47: (KRGW-13 UNIT B) (APN 160-180-04)

That portion of Section 36, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Northeasterly of the Northeasterly line of the State Highway, conveyed to the State of California, by deed recorded March 24, 1967, Book 4037, Page 193, Official Records.

Containing an area of 25 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 48: (KRGW-15 UNIT A Unit A1) (APN 160-120-12, 160-120-05, 160-120-18, 160-120-25)

That portion of Section 24, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly of a line described as follows:

NOV 21 1995

3

BEGINNING at a point on the East line of said Section 24, distant thereon South 00° 22' 38" East, 1526.351 feet from the Northeast corner thereof, which point lies on the Northerly boundary line of the Kern River Canal right of way, as hereinafter described; thence along said Northerly boundary line, South 82° 29' 42" West, 1202.845 feet to the Westerly terminus of the concrete lined section of said canal; thence South 07° 30' 18" East, 100.00 feet; thence along the Southerly boundary of the earthen section of said canal, South 82° 29' 42" West, 2181.995 feet; thence, leaving said boundary South 39° 25' 12" West, 875.787 feet; thence South 77° 55' 12" West, 1400.00 feet, more or less, to a point on the West line of said Section 24, distant thereon 340.00 feet Southerly of the West one-quarter corner thereof.

EXCEPT that portion of said Section 24 granted to the State of California for freeway purposes by deed, recorded March 24, 1967, Book 4037, Page 193, of said Official Records, more particularly described therein.

ALSO EXCEPT any portion thereof lying Northerly of the Southerly line of the Kern River Canal.

ALSO EXCEPT the Southeast quarter of the Southeast quarter, and the Southeast quarter of the Southwest quarter of the Southwest quarter of said Section 24.

Containing an area, after said exceptions, of 325 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 49: (KRGW-15 UNIT A Unit A3) (APN 161-100-25)

All that portion of Section 19, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly of the Southerly line of the Kern River Canal, as said canal is described in deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

EXCEPT the South half of the South half of the South half, and the Northwest quarter of the Southwest quarter of the Southwest quarter of said Section 19.

Containing an area, after said exception, of 408 acres, more or less.

NOV 21 1995

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 50: (KRCW-15 UNIT A Unit A4) (APN 161-100-13)

All that portion of Section 20, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly of the Southerly line of the Kern River Canal, as said canal is described in deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

EXCEPT the South half of the Southeast quarter, the Southeast quarter of the Northwest quarter of the Southeast quarter, the South half of the Northeast quarter of the Southeast quarter, the South half of the South half of the Southwest quarter, the North half of the Southeast quarter of the Southwest quarter, and the Northeast quarter of the Southwest quarter of the Southwest quarter of said Section 20.

Containing an area, after said exception, of 457 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 51: (KRCW 15 UNIT A Unit A2) (APN 161-090-07)

All that portion of Section 17, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southerly of the Southerly line of the Kern River Canal, as said canal is described in Grant Deed, recorded December 30, 1976, Book 4999, Page 431, Official Records.

Containing an area of 155 acres, more or less.

NOV 21 1995



which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 56: (KRGW-19 UNIT A Unit A2) (APN 160-060-17, 160-060-04, 160-060-21, 160-060-20, 160-060-06, 160-060-19, 160-060-19, 160-060-15, 160-060-07, 160-060-09)

Section 12, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the South half of the Southwest quarter of said Section, containing an area, after said exception, of 561 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 57: (KRGW-19 UNIT A Unit A3) (APN 161-040-20, 161-040-02, 161-040-09, 161-040-10, 161-040-11)

That portion of Section 7, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the Southern Pacific Railroad Asphalt Branch, as granted to SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds, Records of said County.

Containing an area of 637 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

NOV 2 1995

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 52: (KRGW-17 UNIT A Unit A1) (APN 160-070-06, 160-070-20, 160-070-14, 160-070-22, 160-070-19)

Section 13, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the South half of the Southeast quarter of said Section 13.

ALSO EXCEPT the South 1000 feet of the West 1000 feet of the Southwest quarter of the Northwest quarter of said Section 13, containing an area, after said exception, of 540 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 53: (KRGW 17 UNIT A Unit A2) (APN 160-120-17)

The Northwest quarter of the Northwest quarter and the West half of the West half of the Northeast quarter of the Northwest quarter of Section 24, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, containing an area of 50 acres, more or less.

EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

NOV 21 1995

which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 54: (KRGW-17 UNIT A Unit A3) (APN 161-090-10, 161-090-01)

The North half of Section 18, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT the Easterly 1700 feet of the South half of the South half of the Northwest quarter, the South half of the South half of the Northeast quarter, the Easterly 900 feet of the Northeast quarter of the Northeast quarter, and the Easterly 900 feet of the North half of the Southeast quarter of the Northeast quarter of said Section 18, containing an area, after said exception, of 222 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 55: (KRGW-19 UNIT A Unit A1 and UNIT B) (APN 160-010-12, 160-010-14, 160-010-24, 160-010-13, 160-010-26, 160-010-17)

The South half of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 306 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons, and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.)

NOV 21 1995

PARCEL 58: (KRGW-30 UNIT A and UNIT B) (APN 161-030-23, 161-030-03, 161-030-24)

That portion of the South half of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, in the unincorporated area of the County of Kern, State of California, according to the Official Plat thereof, lying Southwesterly of the Southwesterly line of the Southern Pacific Railroad Asphalt Branch, as granted to the SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by deed, recorded October 21, 1893, Book 47, Page 356 of Deeds.

EXCEPT that portion conveyed to the Kern County Water Agency, a political subdivision of the State of California, for the Cross Valley Canal by FINAL ORDER OF CONDEMNATION, SUPERIOR COURT OF KERN COUNTY, Case Number 126302; a certified copy thereof was recorded December 1, 1981, Book 5421, Page 1531, Official Records.

Containing an area, after said exception, of 166 acres, more or less.

ALSO EXCEPT all oil, gas and other hydrocarbons and all other minerals of whatever kind or character (all herein collectively called "minerals") now known to exist or hereafter discovered (it being intended that the word "minerals" as used herein shall be defined in the broadest sense of the word and shall include, but not be limited to, oil, gas, other hydrocarbons, and all other mineral substances and products, both metallic and nonmetallic, solid, liquid, or gaseous), which are upon, in, under, or may be produced from said real property all salt water (water containing over 10,000 P.P.M. T.D.S.) which is in, under, or may be produced from said real property; together with the specific rights enumerated and made a part of therein, all as reserved by Tenneco West, Inc., a Delaware Corporation, in Deed recorded August 31, 1988, Book 6158, Page 1098, Official Records.

PARCEL 59: (KWB-4-B) (APN 160-070-28)

The South 1000 feet of the West 1000 feet of the Southwest quarter of the Northwest quarter of Section 13, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 23 acres, more or less.

PARCEL 60: (KWB-5-A)

UNIT A (APN 160-070-10)

The North 385 feet of the West 415 feet of Section 14, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 3.67 acres, more or less.

UNIT B (APN 160-010-40, 160-010-38, 160-010-43)

That portion of the East 5000 feet of the North half of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Northerly line of the Pioneer Canal Easement as described in PARCEL C, P-O Canal Easement Deed, recorded December 6, 1973, Book 5159, Page 2217, Official Records of said County, containing an area of 8.37 acres, more or less.

NOV 21 1995

UNIT C (APN 161-030-42)

That portion of the Northwest quarter of Section 6, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Northerly line of the Pioneer Canal Easement as described in PARCEL C, P-G Canal Easement Deed, recorded December 6, 1978, Book 5159, Page 2217, Official Records of said County.

EXCEPTING THEREFROM that portion of said Northwest quarter lying Northeasterly of the Southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as granted to the SOUTHERN PACIFIC RAILROAD COMPANY, a Corporation, by Deed, recorded October 21, 1893, Book 47, Page 356 of Deeds, records of said County, containing an area, after said exception, of 3.25 acres, more or less.

UNIT D (APN 160-010-41)

The South 1176.00 feet of the West 165.00 feet of the Northwest quarter of Section 1, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, containing an area of 4.45 acres, more or less.

PARCEL 61: (KRGW-29)

UNIT A (APN 161-040-26, 161-040-13)

That portion of the West half of the West half of Section 8, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof, lying Southerly of the Southwesterly property line of the Southern Pacific Railroad Asphalt Branch, as said railroad is described in deed, recorded October 21, 1893, Book 47, Page 356, Deeds, records of Kern County.

EXCEPTING THEREFROM the Southerly 820 feet of the Southwest quarter of the Southwest quarter of said Section 8, as granted to the CITY OF BAKERSFIELD, a Municipal Corporation, by deed, recorded December 30, 1976, Book 4999, Page 436, Official Records.

SUBJECT TO all exceptions, reservations, terms, conditions, covenants, and restrictions contained and recited in that certain oil, gas, and/or mineral interest assignment and conveyance from TENNECO WEST, INC., to TENNECO OIL COMPANY, recorded November 18, 1988 in Book 6183, Page 1167, Official Records of said County.

Containing an area, after said exception, of 73 acres, more or less.

Intent EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate, and maintain a State Highway over, through, and across those portions of the hereinabove described Sections 1, 11, 12, 13, 14, 23, 24, 25, 35 & 36, Township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, included within the lines of the parcels of land described in deeds to the State of California, recorded December 15, 1934, Book 547, Page 56; recorded August 22, 1935, Book 596, Page 34; recorded May 20, 1977, book 5028, Page 2074; and recorded May 20, 1977, Book 5028, Page 2077, all of Official Records of Kern County. (Affects Parcels 22, 32, 33, 37, 38, 40, 46, 48, 52, 55, 56 and 59).

ALSO EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate and maintain a State Highway over, through, and across those portions of the hereinabove described Sections 34, 35 and 36, township 30 South, Range 25 East, Mount Diablo Meridian, according to the Official Plat thereof, included within the lines of the parcels of land described in deeds to the State of California, recorded January 15, 1937, Book 683, Page 74, and recorded January 2, 1964 in Book 3677, Page 293, both of Official Records of Kern County. (Affects Parcels 21, 22 and 40).

ALSO EXCEPTING AND RESERVING THEREFROM a perpetual easement and right of way to construct, operate, and maintain a State Highway over, through, and across the South 30 feet of the hereinabove described Sections 32 and 33, Township 30 South, Range 26 East, Mount Diablo Meridian, according to the Official Plat thereof. (Affects Parcels 44 and 45).

Bearings and distances used in the above description are based on the California Coordinate System, Zone V, 1927.

The Director's Deed of this property from the Department of Water Resources contains the following reservation:


"The Department of Water Resources, State of California, hereby (1) reserves to itself title to one-half of the La Hacienda Program Water and one-half of the Berrenda Mesa Demonstration Program Water; and (2) grants to Kern County Water Agency one-half of the La Hacienda Program Water, one-half of the Berrenda Mesa Demonstration Program Water, all of the 1995 water and all other water on, in, or under the real property which has not been reserved to the State herein. "Berrenda Mesa Demonstration Program Water" shall mean 2,532 acre feet of groundwater that has not been extracted by the State before the Close of Escrow on the property as part of the 1990 Berrenda MESA Demonstration Program. "La Hacienda Program Water" shall mean the 83,127 acre feet of water that has not been extracted before the close of escrow of the 98,005 acre-feet of the groundwater purchased by the State from the Kern County Water Agency, and the Kern County Water Agency from La Hacienda, Inc., in 1991. "1995 Water" shall mean all water on, in, or under the real property upon closing that was delivered to and spread upon the real property at any time during 1995 by or for the Kern County Water Agency or its member units or the members of the Kern Water Bank Authority. (Does Not Affect Parcels 62 and 63)."

The water described in this reservation, which is not otherwise reserved by Department of Water Resources, is conveyed to the Kern Water Bank Authority.

**CERTIFICATE OF ACCEPTANCE**  
**GOVERNMENT CODE SECTION 26281**

**THIS IS TO CERTIFY** that the Kern Water Bank Authority hereby accepts  
for public purposes, the within document and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 17<sup>th</sup> day  
of June, 1996.

  
\_\_\_\_\_  
**PEGGY J. POOR, Secretary to the**  
**Board of Directors, Kern Water**  
**Bank Authority**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Kern

On 6/17/96 before me, Cynthia Young, Notary Public

personally appeared William A. Taube

I personally known to me - OR - I 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.



WITNESS my hand and official seal.

Cynthia Young  
Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

Title or Type of Document: Trust Agreement

Document Date: 10-17-95 Number of Pages: 42

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: William A. Taube

- Individual
- Corporate Officer  
Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: Vice Chairman

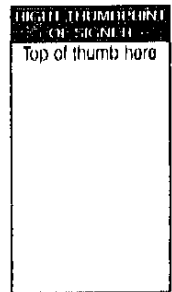
Kern Water Bank  
Authority  
Signer Is Representing:



Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer  
Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing:  
\_\_\_\_\_  
\_\_\_\_\_





**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

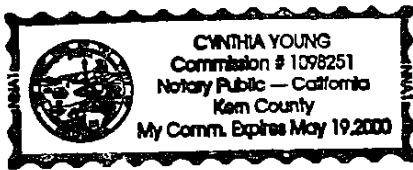
State of California

County of Kern

On 6/17/96 before me, Cynthia Young  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared William D. Phillimore  
Name(s) of Signer(s)

personally known to me - OR -  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.



WITNESS my hand and official seal.

Cynthia Young  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Trust Agreement

Document Date: 10-17-95 Number of Pages: 42

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: William D. Phillimore

- Individual
- Corporate Officer  
Title(s): Vice President
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer  
Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

13. Exception\_16\_0196108972

James Maples, Assessor-Recorder  
Kern County Official Records

JOANNE  
Pages: 3  
8/26/1996  
14:00:00

Recording Requested by and  
when recorded return to:

DOCUMENT #: 0196108972

KERN WATER BANK AUTHORITY  
c/o Young Wooldridge  
1800 30th Street, 4th Floor  
Bakersfield, CA 93301  
Attention: Ernest A. Conant



Stat Types: 1

Fees  
Taxes  
Other  
TOTAL PAID

EXEMPT FROM RECORDING FEE  
PURSUANT TO GOVERNMENT CODE  
SECTION 27383

**MEMORANDUM OF TRANSFER OF WATER IN STORAGE**

THIS MEMORANDUM is to acknowledge that on this date the Kern Water Bank Authority, a public agency, conveyed to each of its Member Entities identified below in the quantities specified, that certain water in ground water storage totalling 42,829.5 acre feet, which was conveyed by a Director's Deed recorded August 9, 1996 as Document No. 0196101605 of the Official Records of Kern County by the State of California, acting by and through its Director of Water Resources, to the Kern County Water Agency, a public agency, and in turn by Deed recorded the same date as Document No. 0196101606 of the Official Records of Kern County, the Kern County Water Agency conveyed said water in storage to the Kern Water Bank Authority.

The quantities of water in storage conveyed this date to each of the Member Entities of the Kern Water Bank Authority are as follows:

Dudley Ridge Water District	4,120
Kern County Water Agency	4,120
Semitropic Water Storage District	2,857
Tejon-Castac Water District	856.5
Kern Water Bank Authority, Trustee, for the benefit of Westside Mutual Water Company, LLC	20,584
Wheeler Ridge-Maricopa Water Storage District	<u>10,292</u>
<b>TOTAL</b>	<b>42,829.5 acre-feet</b>

This memorandum shall not in any manner conflict with or modify the conditions under which said water was transferred pursuant to said documents delivered this date to each of the Member Entities entitled "Transfer of Water and Storage."

IN WITNESS HEREOF, this Memorandum has been duly executed by authorized representatives of the Kern Water Bank Authority this 23rd day of August, 1996.

KERN WATER BANK AUTHORITY

By   
William D. Phillimore, Chairman

By   
Peggy J. Pocr, Secretary

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of CALIFORNIA

County of KERN

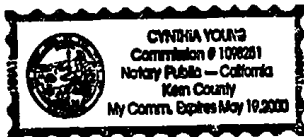
On August 23, 1996 before me, Cynthia Young

Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared William D. Phillimore and Peggy J. Poor

Name(s) of Signer(s)

personally known to me - OR -  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.



WITNESS my hand and official seal.

Cynthia Young  
Signature of Notary Public

**OPTIONAL.**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Memorandum of Transfer of Water in Storage

Document Date: August 23, 1996 Number of Pages: 2

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: William D. Phillimore

Signer's Name: Peggy J. Poor

- Individual
- Corporate Officer
- Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: Chairman  
of the Board

- Individual
- Corporate Officer
- Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: Secretary  
to the Board

Signer is Representing:  
Kern Water Bank Authority



Signer is Representing:  
Kern Water Bank Authority



WILL CALL

Producer 88 - Revised EOG Form 386 (Rev. 11/90)  
California Standard Short Form

Recording Requested by  
and When Recorded Mail to:

Sacramento Energy, Inc.  
2019 Westwind Drive  
Bakersfield, CA 93321  
AP # \_\_\_\_\_

James Maples, Assessor-Recorder  
Kern County Official Records

SABRINA  
Pages: 2  
5/28/1997  
13:28:13

DOCUMENT #: 0197070612



Fees.... 10.00  
Taxes...  
Other... 3.50  
TOTAL  
PAID.. 13.50

Space above provided for record Stat. Types: I

DOCUMENTARY TRANSFER TAX \$ 0  
 Computed on full value of property conveyed, or  
 Computed on full value less than if circumstances  
justify a portion of value of sale.  
D. Weaver  
Signature of Assessor or agent of Assessor, firm name

**OIL AND GAS LEASE**  
(Short Form)

THIS AGREEMENT made this 7th day of July, 1995, between Enron Oil & Gas Company, a Delaware Corporation, 1625 Broadway, Suite 1300, Denver, Colorado 80202, Lessor, and Sacramento Energy, Inc., Lessee.

WITNESSETH:

That Lessor hereby leases to Lessee, and Lessee leases to Lessor, in consideration of the covenants of the Lessee set forth in that certain Oil and Gas Lease of even date between the parties hereto, which is hereby referred to for the particulars thereof, and for the term and subject to the conditions and provisions and for the purposes set forth in said Oil and Gas Lease, all those certain lands situate in the County of Kern, State of California, and particularly described as follows, to wit:

Township 30 South, Range 26 East, M.D.B.&M.  
Section 27: SW/4SW/4, SE/4SW/4, W/2SW/4SE/4  
Section 33: SE/4NE/4 except N/2NW/4SE/4NE/4  
Section 34: N/2 except W/2NW/4NW/4

IN WITNESS WHEREOF, said parties have caused this lease to be duly executed as of the date first hereinabove written.

LESSOR:  
ENRON OIL & GAS COMPANY  
[Signature]  
By: D. Weaver  
Agent and Attorney-in-Fact

LESSEE:  
SACRAMENTO ENERGY, INC.  
[Signature]  
By: David S. Hartley  
President

[Handwritten mark]

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT** No. 8188

State of Colorado  
 County of Denver

On 9-18-95 before me, Debbie Christy, Notary Public  
NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared D. Weaver as Agent and Attorney-in-Fact  
NAME(S) OF SIGNER(S)


personally known to me - OR -  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.

**OPTIONAL SECTION**  
**CAPACITY CLAIMED BY SIGNER**  
Though states does not require the Notary to fill in the data below, doing so may prevent fraudulently to persons relying on the document.

INDIVIDUAL  
 CORPORATE OFFICER(S)  
TITLE(S)  
 PARTNER(S)  LIMITED  GENERAL  
 ATTORNEY-IN-FACT  
 TRUSTEE(S)  
 GUARDIAN/CONSERVATOR  
 OTHER \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
NAME OF PERSON(S) OR ENTITY(ES)  
Enron Oil & Gas Company

**DEBBIE CHRISTY**  
 Notary Public  
 State of Colorado  
 My Appointment Expires MAR 27, 1997

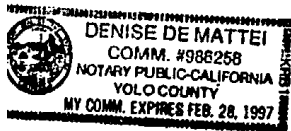
WITNESS my hand and official seal.  
  
Debbie Christy  
SIGNATURE OF NOTARY

**OPTIONAL SECTION**  
 THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:  
Though the date requested here is not required by law, it could prevent fraudulent reattachment of this form.

TITLE OR TYPE OF DOCUMENT \_\_\_\_\_  
 NUMBER OF PAGES \_\_\_\_\_ DATE OF DOCUMENT \_\_\_\_\_  
 SIGNER(S) OTHER THAN NAMED ABOVE \_\_\_\_\_

©1988 NATIONAL NOTARY ASSOCIATION • 8236 Pennant Ave., P.O. Box 7114 • Canyon Park, CA 91350-7114

STATE OF CALIFORNIA  
 COUNTY OF Yolo



On September 14, 1995 before me, Denise DeMattei  
 personally appeared David S. Hartley, personally known to me (or proved on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed in 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.

WITNESS my hand and official seal.  
Denise DeMattei  
Notary public in and for said State.

This document is only a general form which may be proper for use in simple transactions and in no way acts, or is intended to act, as a substitute for the advice of an attorney. The printer does not make any warranty, either express or implied, as to the legal validity of any provision of these forms in any specific transaction. Cowdery's Form No. 100 - ACKNOWLEDGMENT - General (CML Code 1189a) (Revised 1/83)

*Den*

15. Exception\_17a\_0198185643

Janes Maples-Assessor-Recorder PATTI  
Kern County Official Records Pages: 4  
DOCUMENT #: 0198185643 12/31/1998  
9:44:16



Fees ... 16.00  
Taxes ...  
Other ...  
TOTAL  
PAID ... 16.00

**RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:**

SACRAMENTO ENERGY, INC.  
1712 19<sup>th</sup> Street  
Bakersfield, CA 93301

Stat. Types: 1

**PARTIAL SURRENDER AND QUITCLAIM OF OIL, GAS AND MINERAL LEASE**

**KNOW ALL MEN BY THESE PRESENTS:**

That the undersigned, SACRAMENTO ENERGY, INC., a California corporation ("Sacramento"), for valuable consideration, subject to the conditions and reservations hereinafter set forth, does hereby surrender and forever quitclaim to the record owner or owners, as their respective interests appear of record, all right, title and interest in and to that certain Oil, Gas and Mineral Lease (the "Lease") covering lands located in Kern County, California, which Lease is more particularly described on Exhibit "A" attached hereto and made a part hereof by this reference, **BUT IN SO FAR AND ONLY IN SO FAR** as the Lease covers that portion of land described on Exhibit "A" hereto.

Sacramento hereby reserves and retains all right, title, and interest in and to the Lease insofar as the Lease covers the **RETAINED LANDS** specifically described on Exhibit "A" hereto.

**IN WITNESS WHEREOF**, Sacramento has executed this instrument as of the 28<sup>th</sup> day of December, 1998.

**SACRAMENTO ENERGY, INC.**

By: David S. Hartley

David S. Hartley, President

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Kern

On December 28, 1998 before me, C.M. Russell Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared David S. Hartley  
Name(s) of Signer(s)

personally known to me - OR -  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.



WITNESS my hand and official seal.

C.M. Russell  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Partial Surrender and Quitclaim of Oil, Gas and Mineral Lease

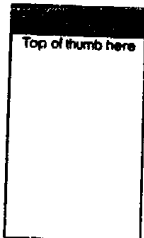
Document Date: December 28, 1998 Number of Pages: 1/20

Signer(s) Other Than Named Above: none

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: David S. Hartley

- Individual
- Corporate Officer
- Title(s): President
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer is Representing:  
Sacramento Energy, Inc.

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer
- Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer is Representing: \_\_\_\_\_



**EXHIBIT "A"**

Attached to and made a part of that certain Partial Surrender and Quitclaim of Oil, Gas and Mineral Lease executed by Sacramento Energy, Inc. dated as of December 28, 1998.

**Lease Date:** July 7, 1995  
**Lessor:** Enron Oil & Gas Company  
**Lessee:** Sacramento Energy, Inc.  
**Recording Date:** May 28, 1997, Instrument Number #0197070812, Official Records of Kern County, California  
**Description:** Township 30 South, Range 26 East, M.D.B.&M.  
Section 27: SW/4SW/4, SE/4SW/4, W/2SW/4SE/4  
Section 33: SE/4NE/4 except N/2NW/4SE/4NE/4  
Section 34: N/2 except W/2NW/4NW/4  
**LESS AND EXCEPT the RETAINED LANDS, described below**

**RETAINED LANDS:**

ALL THOSE PORTIONS OF THE NORTHEAST QUARTER OF SECTION 33, AND THE NORTHWEST QUARTER OF SECTION 34, TOWNSHIP 30 SOUTH, RANGE 26 EAST, M.D.B.&M., DESCRIBED AS FOLLOWS:

- BEGINNING AT THE NORTH QUARTER CORNER OF SAID SECTION 34;
- THENCE (1) SOUTH 00°50'55" WEST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER OF SAID SECTION 34, A DISTANCE OF 661.21 FEET, TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;
  - THENCE (2) DEPARTING FROM SAID EAST LINE, SOUTH 64°02'26" WEST, 1483.83 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;
  - THENCE (3) SOUTH 64°03'44" WEST, 1483.27 FEET, TO THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;
  - THENCE (4) SOUTH 64°04'25" WEST, 1481.84 FEET, TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;

- THENCE (5) NORTH 00°58'30" EAST, 990.84 FEET, TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;
- THENCE (6) SOUTH 89°27'16" EAST, 680.62 FEET, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;
- THENCE (7) NORTH 00°59'02" EAST, 330.28 FEET, TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;
- THENCE (8) SOUTH 89°27'15" EAST, 660.57 FEET, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;
- THENCE (9) SOUTH 89°28'40" EAST, 661.33 FEET, TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;
- THENCE (10) NORTH 00°58'39" EAST, 843.84 FEET, ALONG THE EAST LINE OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;
- THENCE (11) NORTH 84°02'06" EAST, 1072.48 FEET, TO A POINT ON THE NORTH LINE OF SAID SECTION 34;
- THENCE (12) SOUTH 89°31'24" EAST, ALONG SAID NORTH LINE, 1027.99 FEET TO THE POINT OF BEGINNING.

CONTAINS 80.00 ACRES

-- END OF EXHIBIT "A" --

16. Exception\_17b\_0208121918

James W. Fitch, Assessor - Recorder  
Kern County Official Records

TELFORDT  
7/31/2008  
11:13 AM

Recorded at the request of  
Public

**RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:**

Sacramento Energy, Inc.  
P. O. Box 2551  
Bakersfield, California 93303

DOC#: 0208121918



Stat Types: 1	Pages: 6
Fees	42.00
Taxes	0.00
Others	0.00
PAID	\$42.00

**PARTIAL SURRENDER AND QUITCLAIM OF OIL, GAS AND MINERAL LEASE**

**WHEREAS, Sacramento Energy, Inc.,** a California corporation ("**Sacramento**") entered into the following Oil, Gas and Mineral Lease (the "**Lease**") with Enron Oil & Gas Company:

**Lease Date:** July 7, 1995  
**Lessor:** Enron Oil & Gas Company  
**Lessee:** Sacramento Energy, Inc.  
**Recording Data:** May 28, 1997, Document #:0197070612, Official Records of Kern County, California

and;

**WHEREAS,** by the terms of the Lease, Sacramento has heretofore executed the Partial Surrender and Quitclaim of Oil, Gas and Mineral Lease effective as of December 28, 1998, recorded on December 31, 1998, Document #:0198185643, Official Records of Kern County, California, and

**WHEREAS,** Sacramento is obligated to release and surrender to lessor the undeveloped deep rights underlying each well tract as required by the terms of the Lease;

**NOW THEREFORE,** in consideration of the above premises and other good and valuable consideration, subject to the conditions and reservations hereinafter set forth, Sacramento does hereby surrender and forever quitclaim to **Vintage Production California LLC**, successor in interest to Enron Oil & Gas Company, all right, title and interest in and to the Lease and the lands covered thereby, **BUT INSOFAR AND ONLY INSOFAR** as the Lease covers the **Surrendered Interval** set forth and described on Exhibit "A" attached hereto and made a part hereof by this reference.

Sacramento hereby reserves and retains all right, title and interest in and to the Lease insofar as the Lease covers the **Retained Interval** lying within the **Well Tract**,

both of which are specifically described on Exhibit "A" hereto. The boundary of the **Well Tract** is depicted on Exhibit "B" attached hereto.

**IN WITNESS WHEREOF**, Sacramento has executed this instrument as of the 21st day of July, 2008.

**Sacramento Energy, Inc.**

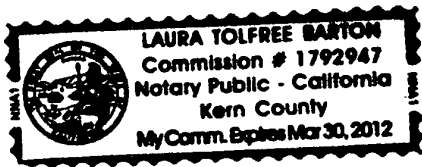


By: \_\_\_\_\_

**Roger Hartley**  
**Corporate Secretary**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
County of Kern }  
On 31 July 2008 before me, Laura Tolfree Barton, Notary Public,  
Date Here Insert Name and Title of the Officer  
personally appeared Roger Hartley  
Name(s) of Signer(s)



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 Laura Tolfree Barton  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

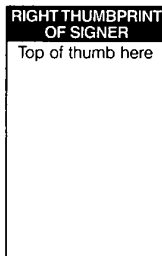
*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

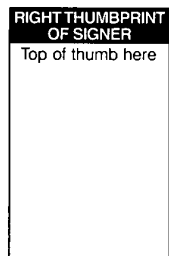
Title or Type of Document: Partial Surrender and Quitclaim of Oil, Gas + Mineral Lease  
Document Date: 21 July 2008 Number of Pages: 5  
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Individual  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Attorney in Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_



Signer's Name: \_\_\_\_\_  
 Individual  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Attorney in Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_



**EXHIBIT "A"**

Attached to and made a part of that certain Partial Surrender and Quitclaim of Oil, Gas and Mineral Lease executed by Sacramento Energy, Inc. dated as of July 21, 2008.

**Surrendered Interval**

The "**Surrendered Interval**" shall be defined as all depths, intervals, horizons, and/or formations lying one hundred feet (100') and more below the **base of the Upper Stevens Sand**, as defined below, in and to the **Well Tract**, as described below.

**Retained Interval**

The "**Retained Interval**" shall mean all depths, intervals, horizons, and/or formations lying above the **Surrendered Interval** (as defined above) as to the **Well Tract** (as described below).

**Base of the Upper Stevens Sand**

As used herein, the "**base of the Upper Stevens Sand**" shall be defined as the stratigraphic equivalent of the drilled depth of 8118 feet, as shown in the Schlumberger Array Induction/SP/Sonic/Caliper combo log for the Sacramento Energy, Inc. "Enron" 1-34 well, API No. 030-09108, located in Section 34, Township 30 South, Range 26 East, MDB&M, Kern County, California.

**Well Tract**

ALL THOSE PORTIONS OF THE NORTHEAST QUARTER OF SECTION 33, AND THE NORTHWEST QUARTER OF SECTION 34, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MDB&M, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTH QUARTER CORNER OF SAID SECTION 34;

THENCE (1) SOUTH 00°58'55" WEST ALONG THE EAST LINE OF SAID NORTHWEST QUARTER OF SAID SECTION 34, A DISTANCE OF 661.21 FEET, TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;

THENCE (2) DEPARTING FROM SAID EAST LINE, SOUTH 64°02'26" WEST, 1483.63 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;

THENCE (3) SOUTH 64°03'44" WEST, 1483.27 FEET, TO THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;

THENCE (4) SOUTH 64°04'25" WEST, 1481.84 FEET, TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE (5) NORTH 00°59'30" EAST, 990.84 FEET, TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE (6) SOUTH 89°27'16" EAST, 660.62 FEET, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE (7) NORTH 00°59'02" EAST, 330.28 FEET, TO THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE (8) SOUTH 89°27'15" EAST, 660.57 FEET, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE (9) SOUTH 89°29'40" EAST, 661.33 FEET, TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;

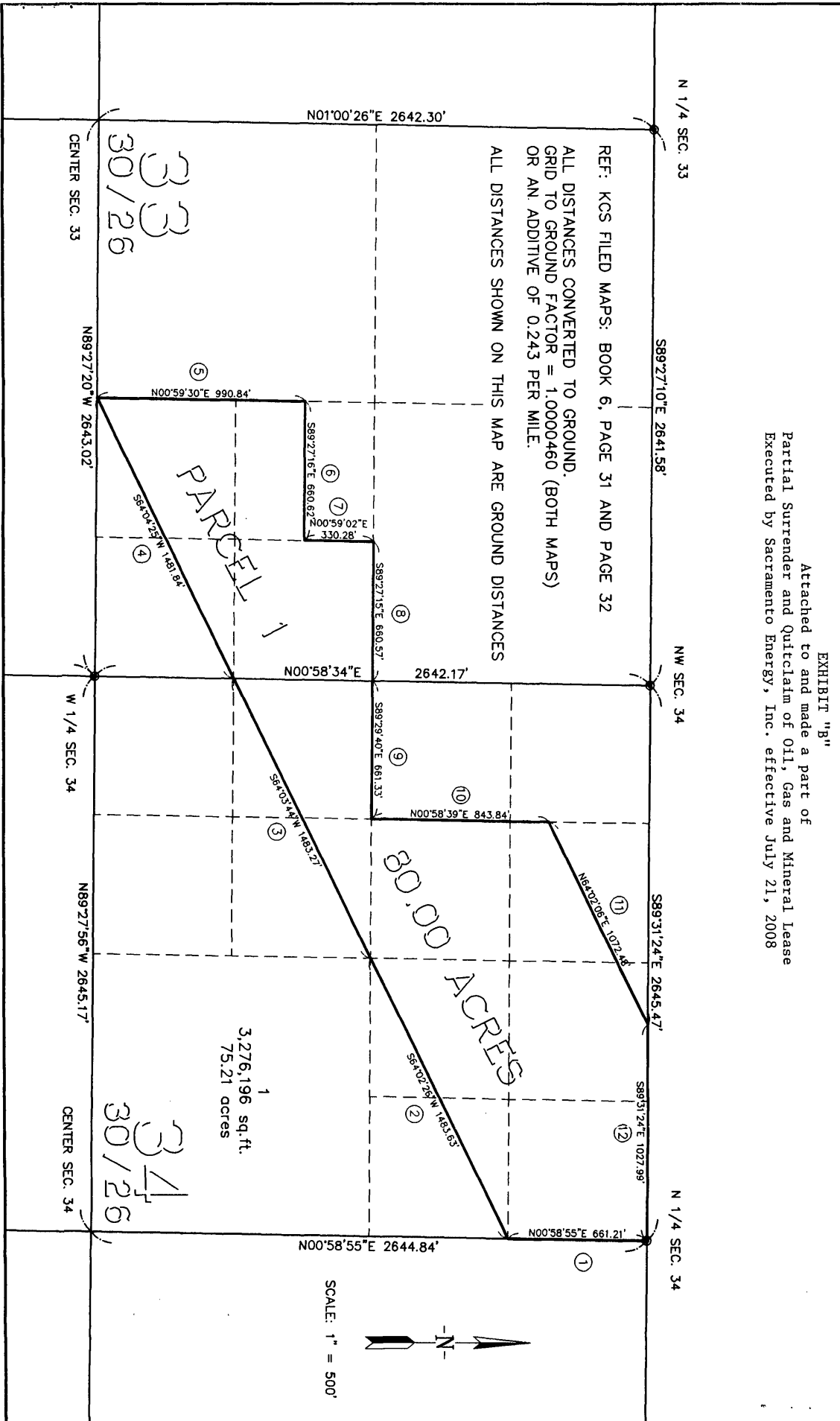
THENCE (10) NORTH 00°58'39" EAST, 843.84 FEET, ALONG THE EAST LINE OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 34;

THENCE (11) NORTH 64°02'06" EAST, 1072.48 FEET, TO A POINT ON THE NORTH LINE OF SAID SECTION 34;

THENCE (12) SOUTH 89°31'24" EAST, ALONG SAID NORTH LINE, 1027.99 FEET TO THE POINT OF BEGINNING.

CONTAINS 80.00 ACRES

EXHIBIT "B"  
 Attached to and made a part of  
 Partial Surrender and Quitclaim of Oil, Gas and Mineral Lease  
 Executed by Sacramento Energy, Inc. effective July 21, 2008





17. Exception\_18\_0203256936

53

Recording Requested by  
CHICAGO TITLE INSURANCE  
Order No. \_\_\_\_\_

**James W. Fitch, Assessor – Recorder**  
Kern County Official Records  
Recorded at the request of  
**Chicago Title**

**JASON**  
11/25/2003  
8:00 AM

RECORDING REQUESTED BY:  
CHICAGO TITLE COMPANY  
696028 JH/MB

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

WELLS FARGO BANK,  
NATIONAL ASSOCIATION  
c/o Chapman and Cutler LLP  
595 Market Street, Suite 2600  
San Francisco, CA 94105  
Attn: Gregory S. Clore

DOC#: **0203256936**



Stat Types: 3	Pages: 53
Fees	177.00
Taxes	0.00
Others	0.00
PAID	\$177.00

Space above this line for Recorder's Use

**DEED OF TRUST, ASSIGNMENT OF RENTS  
AND LEASES AND FIXTURE FILING**

This Deed of Trust, Assignment of Rents and Leases and Fixture Filing ("Deed of Trust") is made as of November 1, 2003, by Kern Water Bank Authority, as trustor (together with any successor thereto, "Trustor"), to AMERICAN SECURITIES COMPANY, a corporation ("Trustee"), for the benefit of WELLS FARGO BANK, NATIONAL ASSOCIATION ("Beneficiary").

**WITNESSETH:**

WHEREAS, Trustor and Beneficiary have entered into that certain Reimbursement Agreement, dated as of November 1, 2003 (as amended, modified and/or supplemented from time to time, the "Reimbursement Agreement"); and

WHEREAS, a condition precedent to the Reimbursement Agreement is the execution of this Deed of Trust by Trustor for the benefit of Beneficiary.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Trustor, Trustee and Beneficiary agree as follows:

1. **GRANT IN TRUST.**

1.1 The Property. For the purpose of securing payment and performance of the Secured Obligations defined in Section 2 below, Trustor hereby irrevocably and unconditionally grants, conveys, transfers and assigns (collectively, the "Security Grant") to Trustee, in trust for the benefit of Beneficiary, with power of sale and right of entry and possession, all estate, right, title and interest which Trustor now has or may later acquire in the following property (collectively, the "Property"):

(a) The real property located in the County of Kern, State of California, as described on Exhibit A attached hereto;

(b) All buildings, structures, improvements, fixtures and appurtenances now or hereafter placed on such real property, and all apparatus and equipment now or hereafter attached in any manner to the real property or any building on the real property, including all pumping plants, engines, pipes, ditches and flumes, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust;

(c) All development rights, governmental or quasi-governmental licenses, permits or approvals, zoning rights and other similar rights or interests which relate to the development, use or operation of, or that benefit or are appurtenant to, such real property;

(d) All easements and rights of way appurtenant to such real property; all development rights or credits and air rights; all mineral rights, oil and gas rights, air rights and water and water rights of Trustor (whether riparian, appropriative, or otherwise, and whether or not appurtenant to such real property) and all shares and other rights pertaining to such water or water rights of Trustor, ownership of which affect such real property (but shall not include water, including water in storage, owned solely by any Member Entity (as defined in the Reimbursement Agreement or held in trust solely for the benefit of a Member Entity); all minerals, oil, gas, and other hydrocarbon substances and rights thereto in, on, under, or upon such real property;

(e) All right, title and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining such real property, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with such real property;

(f) All proceeds, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the real property, any buildings located thereon or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any breach of warranty, misrepresentation, damage or injury to, or defect in, the real property, any buildings located thereon or the other property described above or any part thereof; and

(g) All proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

1.2 Fixture Filing. This Deed of Trust constitutes a financing statement filed as a fixture filing under Section 9502(c) of the California Uniform Commercial Code, as amended or recodified from time to time, covering any Property which now is or later may become a fixture attached to the real property described in Section 1.1(a) or any building located thereon.

## 2. THE SECURED OBLIGATIONS.

2.1 Purpose of Securing. Trustor makes the grant, conveyance, transfer and assignment set forth in Section 1 for the purpose of securing the following obligations (the "Secured Obligations") in any order of priority that Beneficiary may choose:

(a) Payment of all obligations of Trustor to Beneficiary arising under the Reimbursement Agreement together with the payment and performance of any indebtedness or obligations incurred in connection with the credit accommodation evidenced by the Reimbursement Agreement, whether or not specifically referenced therein;

(b) Payment of all obligations of Trustor to Beneficiary or any of its affiliates arising under any interest rate swap agreement(s) entered into between Trustor and Beneficiary or any such affiliate at any time (each such agreement, a "Swap Agreement");

(c) Payment and performance of all obligations of Trustor under this Deed of Trust, together with all advances, payments or other expenditures made by the Beneficiary or Trustee as or for the payment or performance of any such obligations of Trustor;

(d) Payment and performance of all future advances and other obligations that Trustor may agree to pay and/or perform (whether as principal, surety or guarantor) to or for the benefit of Beneficiary, when a writing signed by Trustor evidences said parties' agreement that such advance or obligation be secured by this Deed of Trust; and

(e) All modifications, extensions and renewals of any of the Secured Obligations (including, without limitation, (i) modifications, extensions or renewals at a different rate of interest, or (ii) deferrals or accelerations of the required principal payment dates or interest payment dates or both, in whole or in part), however evidenced, whether or not any such modification, extension or renewal is evidenced by a new agreement.

This Deed of Trust does not secure any obligation which expressly states that it is unsecured, whether contained in the foregoing Reimbursement Agreement or in any other document, agreement or instrument.

All capitalized terms used but not defined in this Deed of Trust shall have the meanings given to them in the Reimbursement Agreement.

2.2 Terms of Secured Obligations. All persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Reimbursement Agreement described in Section 2.1(a) and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. The Reimbursement Agreement, among other things, provides an interest rate that may vary from time to time on one or more of the obligations arising under the Reimbursement Agreement.

2.3 Revenues; Subordination of Security Grant; Conflict with Indenture. To the extent that any of the Property, the Rents (as defined in Section 3.1) or the Claims (as defined in Section 4.4) constitutes "Revenues" as that term is defined in the Indenture of Trust, dated as of November 1, 2003 (as the same may be amended, modified and/or supplemented from time to time, the "Indenture"), by and between Trustor and Zions First National Bank, as trustee (together with its successors in such capacity, the "Bond Trustee"), the Security Grant contained in Section 1.1 and the assignments contained in Sections 3.1 and 4.4 are made subject and subordinate to the lien of the Indenture in favor of the Bond Trustee, the Qualified Swap Provider and the Credit Provider over the Revenues for so long as such lien remains in effect and for so long as such Property, Rents or Claims remains part of Revenues, and Trustee and Beneficiary each agree that, notwithstanding any provision to the contrary contained in this Deed of Trust, so long as the lien of the Bond Trustee, the Qualified Swap Provider and the Credit Provider over the Revenues remains in effect and so long as such Property, Rents or Claims remains part of Revenues, it shall take no action under this Deed of Trust to disturb the lien of the Bond Trustee, the Qualified Swap Provider and the Credit Provider over the Revenues. Under no circumstances shall the lien of the Bond Trustee, the Qualified Swap Provider and the Credit Provider over the Revenues be construed under this Deed of Trust as an adverse claim against the Property, Rents or Claims. Notwithstanding any provision to the contrary contained in this Deed of Trust, to the extent that any provision of this Deed of Trust conflicts with any provision of the Indenture, the conflicting provision of the Indenture shall prevail and, to the extent that Trustor timely complies with a conflicting provision of the Indenture, Trustor's failure to comply with the conflicting provision of this Deed of Trust shall not constitute an Event of Default under this Deed of Trust. Notwithstanding the foregoing or any other provision in this Deed of Trust, the defined terms Property, Rents and Claims shall not include (i) capital use or improvement fees levied on the Members (as defined in the Indenture) pursuant to Section 4.5(a) of the Agreement (as defined in the Indenture); (ii) grants which are designated by the grantor for a specific purpose and are therefore not available for other purposes; or (iii) money received or receivable by the Trustor from the sale of a Member's water, including standby fees relating to the sale or proposed sale of a Member's water, and held for the benefit of such Member.

3. ASSIGNMENT OF RENTS.

3.1 Assignment. Subject to Section 2.3, for the purposes and upon the terms and conditions set forth herein, Trustor irrevocably assigns to Beneficiary all of Trustor's right, title and interest in, to and under all leases, licenses, rental agreements and other agreements of any kind relating to the use or occupancy of any of the Property, whether existing as of the date hereof or at any time hereafter entered into, together with all guarantees of and security for any tenant's or lessee's performance thereunder, and all amendments, extensions, renewals and modifications thereto (each, a "Lease" and collectively, the "Leases"), together with any and all other rents, issues and profits of the Property (collectively, "Rents"). This assignment shall not impose upon Beneficiary any duty to produce Rents from the Property, nor cause Beneficiary to be: (a) a "mortgagee in possession" for any purpose; (b) responsible for performing any of the obligations of the lessor or landlord under any Lease; or (c) responsible for any waste committed by any person or entity at any time in possession of the Property or any part thereof, or for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property. This is an absolute assignment, not an assignment for security only, and Beneficiary's right to Rents is not contingent upon and may be exercised without taking possession of the Property. Trustor agrees to execute and deliver to Beneficiary, within five (5) days of Beneficiary's written request, such additional documents as Beneficiary or Trustee may reasonably request to further evidence the assignment to Beneficiary of any and all Leases and Rents. Beneficiary or Trustee, at Beneficiary's option and without notice, may notify any lessee or tenant of this assignment of the Leases and Rents.

3.2 Grant of License. Notwithstanding the provisions of Section 3.1, Beneficiary hereby confers upon Trustor a license ("License") to collect and retain the Rents as they become due and payable, so long as no Event of Default, as defined in Section 5.2, shall exist and be continuing. If an Event of Default has occurred and is continuing, Beneficiary shall have the right, which it may choose to exercise in its sole discretion, to terminate this License without notice to or demand upon Trustor, and without regard to the adequacy of the security for the Secured Obligations. Beneficiary or Trustee may also, at Beneficiary's option and without notice, either in person or by agent, with or without bringing any action, or by a receiver to be appointed by a court: (a) enter, take possession of, manage and operate the Property or any part thereof; (b) make, cancel, enforce or modify any Lease; (c) obtain and evict tenants, fix or modify Rents, and do any acts which Beneficiary or Trustee deems proper to protect the security hereof; and (d) either with or without taking possession of the Property, in its own name, sue for or otherwise collect and receive all Rents, including those past due and unpaid, and apply the same in accordance with the provisions of this Deed of Trust. The entering and taking possession of the Property, the collection of Rents and the application thereof as aforesaid, shall not cure or waive any Event of Default, nor waive, modify or affect any notice of default hereunder, nor invalidate any act done pursuant to any such notice. The License shall not grant to Beneficiary or Trustee the right to possession, except as provided in this Deed of Trust.

3.3. Protection of Security. To protect the security of this assignment, Trustor agrees:

(a) At Trustor's sole cost and expense: (i) to perform each obligation to be performed by the lessor or landlord under each Lease and to enforce or secure the performance of each obligation to be performed by the lessee or tenant under each Lease; (ii) not to modify any Lease in any material respect, nor accept surrender under or terminate the term of any Lease, other than those Leases which have annual rents payable thereunder not in excess of the aggregate amount of \$50,000.00; (iii) not to anticipate the Rents under any Lease; and (iv) not to waive or release any lessee or tenant of or from any Lease obligations. Trustor assigns to Beneficiary all of Trustor's right and power to modify the terms of any Lease, to accept a surrender under or terminate the term of or anticipate the Rents under any Lease, and to waive or release any lessee or tenant of or from any Lease obligations, and any attempt on the part of Trustor to exercise any such rights or powers without Beneficiary's prior written consent shall be a breach of the terms hereof.

(b) At Trustor's sole cost and expense, to defend any action in any manner connected with any Lease or the obligations thereunder, and to pay all costs of Beneficiary or Trustee, including reasonable attorneys' fees, in any such action in which Beneficiary or Trustee may appear.

(c) That, should Trustor fail to do any act required to be done by Trustor under a Lease, then Beneficiary or Trustee, but without obligation to do so and without notice to Trustor and without releasing Trustor from any obligation hereunder, may make or do the same in such manner and to such extent as Beneficiary or Trustee deems necessary to protect the security hereof, and, in exercising such powers, Beneficiary or Trustee may employ attorneys and other agents, and Trustor shall pay necessary costs and reasonable attorneys' fees incurred by Beneficiary or Trustee, or their agents, in the exercise of the powers granted herein. Trustor shall give prompt notice to Beneficiary of any default by any lessee or tenant under any Lease, and of any notice of default on the part of Trustor under any Lease received from a lessee or tenant thereunder, together with an accurate and complete copy thereof.

(d) To pay to Beneficiary immediately upon demand all sums expended under the authority hereof, including reasonable attorneys' fees, together with interest thereon at the highest rate per annum payable under any Secured Obligation, and the same, at Beneficiary's option, may be added to any Secured Obligation and shall be secured hereby.

#### 4. RIGHTS AND DUTIES OF THE PARTIES

4.1 Representations and Warranties. Trustor represents and warrants that Trustor lawfully possesses and holds fee simple title to all of the Property, unless Trustor's present interest in the Property is described in Exhibit A as a leasehold interest, in which case Trustor lawfully possesses and holds a leasehold interest in the Property as stated in Exhibit A.

4.2 Taxes, Assessments, Liens and Encumbrances. Trustor shall pay prior to delinquency any and all taxes, levies, charges and assessments, including assessments on appurtenant water stock, imposed on the Property or Trustor by any public or quasi-public authority or utility company which are (or if not paid, may become) a lien on all or part of the Property or any interest in it, or which may cause any decrease in the value of the Property or any part of it. Trustor shall immediately discharge any lien on the Property which Beneficiary has not consented to in writing, and shall also pay when due each obligation secured by or reducible to a lien, charge or encumbrance which now or hereafter encumbers or appears to encumber all or part of the Property, whether the lien, charge or encumbrance is or would be senior or subordinate to this Deed of Trust. Promptly upon request by Beneficiary, Trustor shall furnish to Beneficiary satisfactory evidence of the payment of all of the foregoing. Beneficiary is hereby authorized to request and receive from the responsible governmental and non-governmental personnel written statements with respect to the accrual and payment of any of the foregoing.

4.3 Performance of Secured Obligations. Trustor shall pay and perform each Secured Obligation when due.

#### 4.4 Damages and Insurance and Condemnation Proceeds.

(a) Subject to Section 2.3, Trustor hereby absolutely and irrevocably assigns to Beneficiary, and authorizes the payor to pay to Beneficiary, the following claims, causes of action, awards, payments and rights to payment (collectively, the "Claims"):

(i) all awards of damages and all other compensation payable directly or indirectly because of a condemnation, proposed condemnation or taking for public or private use which affects all or part of the Property or any interest in it;

(ii) all other awards, claims and causes of action, arising out of any breach of warranty or misrepresentation affecting all or any part of the Property, or for damage or injury to, or defect in, or decrease in value of all or part of the Property or any interest in it;

(iii) all proceeds of any insurance policies payable because of loss sustained to all or part of the Property; and

(iv) all interest which may accrue on any of the foregoing.

(b) Trustor shall immediately notify Beneficiary in writing if:

(i) any material damage occurs or any injury or loss is sustained to all or part of the Property, or any action or proceeding relating to any such damage, injury or loss is commenced; or

(ii) any offer is made, or any action or proceeding is commenced, which relates to any actual or proposed condemnation or taking of all or part of the Property.

If Beneficiary chooses to do so, it may in its own name appear in or prosecute any action or proceeding to enforce any cause of action based on breach of warranty or misrepresentation, or for damage or injury to, defect in, or decrease in value of all or part of the Property. Beneficiary, if it so chooses, may participate in any action or proceeding relating to condemnation or taking of all or part of the Property, and may join Trustor in adjusting any loss covered by insurance.

(c) Subject to Section 2.3, all proceeds of the Claims assigned to Beneficiary under this Section shall be paid to Beneficiary. In each instance, subject to Section 2.3, Beneficiary shall apply those proceeds first toward reimbursement of all of Beneficiary's costs and expenses of recovering the proceeds, including attorneys' fees. Subject to Section 2.3, Trustor further authorizes Beneficiary, at Beneficiary's option and in Beneficiary's sole discretion, and regardless of whether there is any impairment of the Property, (i) to apply the balance of such proceeds, or any portion of them, to pay or prepay or cash collateralize some or all of the Secured Obligations in such order or proportion as Beneficiary may determine, or (ii) to hold the balance of such proceeds, or any portion of them, in a non-interest-bearing account to be used for the cost of reconstruction, repair or alteration of the Property, or (iii) to release the balance of such proceeds, or any portion of them, to Trustor. If any proceeds are released to Trustor, neither Beneficiary nor Trustee shall be obligated to see to, approve or supervise the proper application of such proceeds. Subject to Section 2.3, if the proceeds are held by Beneficiary to be used to reimburse Trustor for the costs of restoration and repair of the Property, the Property shall be restored to the equivalent of its original condition, or such other condition as Beneficiary may approve in writing. Beneficiary may, at Beneficiary's option, condition disbursement of the proceeds on Beneficiary's approval of such plans and specifications prepared by an architect satisfactory to Beneficiary, contractor's cost estimates, architect's certificates, waivers of liens, sworn statements of mechanics and materialmen, and such other evidence of costs, percentage of completion of construction, application of payments, and satisfaction of liens as Beneficiary may reasonably require.

4.5 **Insurance.** Trustor shall provide and maintain in force at all times all risk property damage insurance on the Property and such other types of insurance on the Property as may be required by Beneficiary and as may be required pursuant to the terms of the Reimbursement Agreement, the Indenture and any other documents executed by Trustor in connection with the financing provided to Trustor pursuant to the Reimbursement Agreement and the Indenture. At Beneficiary's request, Trustor shall provide Beneficiary with a counterpart original of any policy, together with a certificate of insurance setting forth the coverage, the limits of liability, the carrier, the policy number and the expiration date.

Each such policy of insurance shall be in an amount, for a term, and in form and content satisfactory to Beneficiary, and shall be written only by companies approved by Beneficiary. In addition, each policy of hazard insurance shall include a Form 438BFU or equivalent loss payable endorsement in favor of Beneficiary.

4.6 Maintenance and Preservation of Property.

- (a) Trustor shall keep the Property in good condition and repair.
- (b) Trustor shall not commit or permit waste of the Property.
- (c) Trustor shall not initiate or allow any change in any zoning or other land use classification which adversely affects the Property or any part of it, except with Beneficiary's express prior written consent in each instance.
- (d) If all or part of the Property becomes damaged or destroyed, Trustor shall promptly and completely repair and/or restore the Property in a good and workmanlike manner in accordance with sound building practices, regardless of whether or not Beneficiary agrees to disburse insurance proceeds or other sums to pay costs of the work of repair or reconstruction under Section 4.4.
- (e) Trustor shall not commit or allow any act upon or use of the Property which would violate any public or private covenant, condition, restriction or equitable servitude affecting the Property. Trustor shall not bring or keep any article on the Property or cause or allow any condition to exist on it, if that could invalidate or would be prohibited by any insurance coverage required to be maintained by Trustor on the Property or any part of it under this Deed of Trust.
- (f) Trustor shall do all other acts which from the character or use of the Property may be reasonably necessary to maintain and preserve its value.

4.7 Releases, Extensions, Modifications and Additional Security. Without affecting the personal liability of any person, including Trustor, for the payment of the Secured Obligations or the lien of this Deed of Trust on the remainder of the Property for the unpaid amount of the Secured Obligations, Beneficiary and Trustee are respectively empowered as follows:

- (a) Beneficiary may from time to time and without notice:
  - (i) release any person liable for payment of any Secured Obligation;
  - (ii) extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation;
  - (iii) accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security; or
  - (iv) alter, substitute or release any property securing the Secured Obligations.
- (b) Trustee may perform any of the following acts when requested to do so by Beneficiary in writing:
  - (i) consent to the making of any plat or map of the Property or any part of it;

- (ii) join in granting any easement or creating any restriction affecting the Property;
- (iii) join in any subordination or other agreement affecting this Deed of Trust or the lien of it; or
- (iv) reconvey the Property or any part of it without any warranty.

4.8 Reconveyance. When all of the Secured Obligations have been paid in full and no further commitment to extend credit continues, Trustee shall reconvey the Property, or so much of it as is then held under this Deed of Trust, without warranty to the person or persons legally entitled to it. In the reconveyance, the grantee may be described as "the person or persons legally entitled thereto," and the recitals of any matters or facts shall be conclusive proof of their truthfulness. Neither Beneficiary nor Trustee shall have any duty to determine the rights of persons claiming to be rightful grantees of any reconveyance.

4.9 Compensation and Reimbursement of Costs and Expenses.

- (a) Trustor agrees to pay fees in the maximum amounts legally permitted, or reasonable fees as may be charged by Beneficiary and Trustee when the law provides no maximum limit, for any services that Beneficiary or Trustee may render in connection with this Deed of Trust, including Beneficiary's providing a statement of the Secured Obligations or Trustee's rendering of services in connection with a reconveyance. Trustor shall also pay or reimburse all of Beneficiary's and Trustee's costs and expenses which may be incurred in rendering any such services.
- (b) Trustor further agrees to pay or reimburse Beneficiary for all costs, expenses and other advances which may be incurred or made by Beneficiary or Trustee to protect or preserve the Property or to enforce any terms of this Deed of Trust, including the exercise of any rights or remedies afforded to Beneficiary or Trustee or both of them under Section 5.3, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Deed of Trust, including attorneys' fees and other legal costs, costs of any sale of the Property and any cost of evidence of title.
- (c) Trustor shall pay all obligations arising under this Section immediately upon demand by Trustee or Beneficiary. Each such obligation shall be added to, and considered to be part of, the principal of the Secured Obligations, and shall bear interest from the date the obligation arises at the rate provided in any instrument or agreement evidencing the Secured Obligations. If more than one rate of interest is applicable to the Secured Obligations, the highest rate shall be used for purposes hereof. If the instrument or agreement evidencing the Secured Obligations does not state a rate of interest, interest shall accrue at the rate of [ten percent (10%)] per annum.

4.10 Exculpation and Indemnification.

- (a) Beneficiary shall not be directly or indirectly liable to Trustor or any other person as a consequence of any of the following:
  - (i) Beneficiary's exercise of or failure to exercise any rights, remedies or powers granted to it in this Deed of Trust;
  - (ii) Beneficiary's failure or refusal to perform or discharge any obligation or liability of Trustor under any agreement related to the Property or under this Deed of Trust;



(iii) Beneficiary's failure to produce Rents, if any, from the Property or to perform any of the obligations of the lessor or licensor under any lease or license covering the Property;

(iv) any waste committed by lessees of the Property or any other parties, or any dangerous or defective condition of the Property; or

(v) any loss sustained by Trustor or any third party resulting from any act or omission of Beneficiary in operating or managing the Property upon exercise of the rights or remedies afforded Beneficiary under Section 5.3, unless the loss is caused by the willful misconduct and bad faith of Beneficiary.

Trustor hereby expressly waives and releases all liability of the types described above, and agrees that no such liability shall be asserted against or imposed upon Beneficiary.

(b) Trustor agrees to indemnify Trustee and Beneficiary against and hold them harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other costs and expenses which either may suffer or incur in performing any act required or permitted by this Deed of Trust or by law or because of any failure of Trustor to perform any of its obligations. This agreement by Trustor to indemnify Trustee and Beneficiary shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release and/or reconveyance of this Deed of Trust.

4.11 Defense and Notice of Claims and Actions. At Trustor's sole expense, Trustor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Deed of Trust and the rights and powers of Beneficiary and Trustee created under it, against all adverse claims. Trustor shall give Beneficiary and Trustee prompt notice in writing of any claim asserted or lawsuits filed against the Property and as required pursuant to the Reimbursement Agreement.

4.12 Substitution of Trustee. From time to time, Beneficiary may substitute a successor to any Trustee named in or acting under this Deed of Trust in any manner now or later to be provided at law, or by a written instrument executed and acknowledged by Beneficiary and recorded in the office of the recorder of the county where the Property is situated. Any such instrument shall be conclusive proof of the proper substitution of the successor Trustee, who shall automatically upon recordation of the instrument succeed to all estate, title, rights, powers and duties of the predecessor Trustee, without conveyance from it.

4.13 Impound Account. At the request of Beneficiary at any time after an Event of Default and during the continuance thereof, Trustor shall, until all Secured Obligations have been paid in full, pay to Beneficiary monthly, annually or as otherwise directed by Beneficiary an amount estimated by Beneficiary to be equal to: (a) all taxes, assessments, levies and charges imposed by any public or quasi-public authority or utility company which are or may become a lien upon the Property and will become due for the tax year during which such payment is so directed; and (b) premiums for fire, other hazard and mortgage insurance next due. If Beneficiary determines that amounts paid by Trustor are insufficient for the payment in full of such taxes, assessments, levies and/or insurance premiums, Beneficiary shall notify Trustor of the increased amount required for the payment thereof when due, and Trustor shall pay to Beneficiary such additional amount within thirty (30) days after notice from Beneficiary. All amounts so paid shall not bear interest, except to the extent and in the amount required by law. So long as there is no Event of Default, Beneficiary shall apply said amounts to the payment of, or at Beneficiary's sole option release said funds to Trustor for application to and payment of, such taxes, assessments, levies, charges and insurance premiums. If an Event of Default exists, Beneficiary at its sole option may apply all or any

part of said amounts to any Secured Obligation and/or to cure such Event of Default, in which event Trustor shall be required to restore all amounts so applied, as well as to cure any Event of Default not cured by such application. Trustor hereby grants and transfers to Beneficiary a security interest in all amounts so paid and held in Beneficiary's possession, and all proceeds thereof, to secure the payment and performance of each Secured Obligation. Upon assignment of this Deed of Trust, Beneficiary shall have the right to assign all amounts collected and in its possession to its assignee, whereupon Beneficiary and Trustee shall be released from all liability with respect thereto. The existence of said impounds shall not limit Beneficiary's rights under any other provision of this Deed of Trust or any other agreement, statute or rule of law. Within ninety-five (95) days following full repayment of all Secured Obligations (other than as a consequence of a foreclosure or conveyance in lieu of foreclosure of the liens and security interests securing any Secured Obligation), or at such earlier time as Beneficiary in its discretion may elect, the balance of all amounts collected and in Beneficiary's possession shall be paid to Trustor, and no other party shall have any right of claim thereto.

4.14 Acceptance of Trust: Powers and Duties of Trustee. Trustee accepts this trust when this Deed of Trust is executed. From time to time, upon written request of Beneficiary and, to the extent required by applicable law presentation of this Deed of Trust for endorsement, and without affecting the personal liability of any person for payment of any indebtedness or performance of any of the Secured Obligations, Beneficiary, or Trustee at Beneficiary's direction, may, without obligation to do so or liability therefor and without notice: (a) reconvey all or any part of the Property from the lien of this Deed of Trust; (b) consent to the making of any map or plat of the Property; and (c) join in any grant of easement or declaration of covenants and restrictions with respect to the Property, or any extension agreement or any agreement subordinating the lien or charge of this Deed of Trust. Trustee or Beneficiary may from time to time apply to any court of competent jurisdiction for aid and direction in the execution of the trusts and the enforcement of its rights and remedies available under this Deed of Trust, and may obtain orders or decrees directing, confirming or approving acts in the execution of said trusts and the enforcement of said rights and remedies. Trustee has no obligation to notify any party of any pending sale or any action or proceeding (including, but not limited to, actions in which Trustor, Beneficiary or Trustee shall be a party) unless held or commenced and maintained by Trustee under this Deed of Trust. Trustee shall not be obligated to perform any act required of it under this Deed of Trust unless the performance of the act is requested in writing and Trustee is reasonably indemnified against all losses, costs, liabilities and expenses in connection therewith.

4.15 Subrogation. Beneficiary shall be subrogated to the lien of all encumbrances, whether or not released of record, paid in whole or in part by Beneficiary pursuant to this Deed of Trust or by the proceeds of any Secured Obligation.

5. ACCELERATING TRANSFERS, DEFAULT AND REMEDIES.

5.1 Accelerating Transfers

(a) "Accelerating Transfer" means, other than in the ordinary course of Borrower's business, any sale, contract to sell, conveyance, encumbrance, lease, or other transfer, whether voluntary, involuntary, by operation of law or otherwise, of all or any significant part of the Property or any interest in it, including any transfer or exercise of any right of Trustor or that of its Member Entities to drill for or to extract any water (other than for Trustor's own use), oil, gas or other hydrocarbon substances or any mineral of any kind on or under the surface of the Property.

(b) Trustor agrees that Trustor shall not make any Accelerating Transfer, unless the transfer is preceded by Beneficiary's express prior written consent to the particular transaction and transferee. Beneficiary may withhold such consent in its sole discretion. If any Accelerating Transfer occurs without Beneficiary's prior written consent, Beneficiary and Trustee may invoke any rights and remedies provided by Section 5.3 of this Deed of Trust.

5.2 Events of Default. The occurrence of any one or more of the following events, at the option of Beneficiary, shall constitute an event of default ("Event of Default") under this Deed of Trust:

(a) Any "Event of Default" occurs under and as defined in the Reimbursement Agreement, any "Event of Default" occurs under and as defined in any Swap Agreement or any "event of default" occurs under and as defined in any other instrument or agreement evidencing any of the Secured Obligations and such event of default continues beyond any applicable cure period;

(b) Except as permitted pursuant to the terms of the Reimbursement Agreement or Section 5.1 of this Deed of Trust, Trustor or any successor in interest to Trustor in the property sells, conveys, alienates, assigns or transfers said property, or any part thereof, or any interest therein, or drills or extracts or enters into any lease for the drilling or extraction of oil, gas, or other hydrocarbon substances or any mineral of any kind or character therefrom or from any part thereof, or becomes divested of his title or any interest therein in any manner or way, whether voluntary or involuntary; or

(c) Anyone other than Trustor or any owner or new owner, assignee or transferor of any right to minerals conveyed prior to the date of this Deed of Trust establishes and exercises any right to develop, bore for or mine for any water, gas, oil, or mineral on or under the surface of the property;

(d) Trustor fails to make any payment when due (after giving effect to any applicable grace period) or perform any agreement or obligation under this Deed of Trust;

(e) Any representation or warranty made in connection with this Deed of Trust or the Secured Obligations proves to have been false or misleading in any material respect when made; or

(f) Any default occurs under any other deed of trust on all or any part of the Property, or under any obligation secured by such deed of trust, whether such deed of trust is prior to or subordinate to this Deed of Trust.

5.3 Remedies. At any time after the occurrence of an Event of Default, Beneficiary and Trustee shall be entitled to invoke any and all of the rights and remedies described below, as well as any other rights and remedies authorized by law. All rights, powers and remedies of Beneficiary and Trustee hereunder are cumulative and are in addition to all rights, powers and remedies provided by law or in any other agreements between Trustor and Beneficiary. No delay, failure or discontinuance of Beneficiary in exercising any right, power or remedy hereunder shall affect or operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any such right, power or remedy preclude, waive or otherwise affect any other or further exercise thereof or the exercise of any other right, power or remedy.

(a) Beneficiary may declare any or all of the Secured Obligations to be due and payable immediately, irrespective of the maturity date specified in any note or written agreement evidencing the same, immediately due and payable without notice or demand, and no waiver of this right shall be effective unless in writing and signed by Beneficiary; [~~provided, however,~~ in the event (i) the Letter of Credit is outstanding, in lieu of causing a mandatory purchase of the Bonds, Beneficiary may demand that Trustor deposit with Beneficiary in a non-interest bearing account cash in an amount equal to the then stated amount of the Letter of Credit and/or (ii) a Swap Agreement is in effect, in lieu of designating an "Early Termination Date" (as such term is defined in a Swap Agreement), Beneficiary may demand that Trustor deposit with Beneficiary in a non-interest bearing account cash in an amount equal to the amount, if any, payable to

Beneficiary under the terms of such Swap Agreement assuming an Early Termination Date had been so designated.]

(b) Beneficiary may apply to any court of competent jurisdiction for, and obtain appointment of, a receiver for the Property.

(c) Beneficiary may apply to a court of competent jurisdiction for and obtain appointment of a receiver of the Property as a matter of strict right and without regard to: (i) the adequacy of the security for the repayment of the Secured Obligations; (ii) the existence of a declaration that the Secured Obligations are immediately due and payable; or (iii) the filing of a notice of default; and Trustor consents to such appointment.

(d) Beneficiary, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and in its own name or in the name of Trustor sue for or otherwise collect any and all Rents, including those that are past due, and may also do any and all other things in connection with those actions that Beneficiary may in its sole discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include: entering into, enforcing, modifying, or canceling leases on such terms and conditions as Beneficiary may consider proper; obtaining and evicting tenants; fixing or modifying Rents; completing any unfinished construction; contracting for and making repairs and alterations; performing such acts of cultivation or irrigation as necessary to conserve the value of the Property. Trustor hereby irrevocably constitutes and appoints Beneficiary as its attorney-in-fact to perform such acts and execute such documents as Beneficiary in its sole discretion may consider to be appropriate in connection with taking these measures, including endorsement of Trustor's name on any instruments. Trustor agrees to deliver to Beneficiary all books and records pertaining to the Property, including computer-readable memory and any computer hardware or software necessary to access or process such memory, as may reasonably be requested by Beneficiary in order to enable Beneficiary to exercise its rights under this Section.

(e) Beneficiary may take and possess all documents, books, records, papers and accounts of Trustor or the then owner of the Property; to make or modify Leases of, and other agreements with respect to, the Property upon such terms and conditions as Beneficiary deems proper; and to make repairs, alterations and improvements to the Property deemed necessary, in Trustee's or Beneficiary's judgment, to protect or enhance the security hereof.

(f) Either Beneficiary or Trustee may cure any breach or default of Trustor, and if it chooses to do so in connection with any such cure, Beneficiary or Trustee may also enter the Property and/or do any and all other things which it may in its sole discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Beneficiary or Trustee under, this Deed of Trust; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Beneficiary's or Trustee's sole judgment is or may be senior in priority to this Deed of Trust, such judgment of Beneficiary or Trustee to be conclusive as among the parties to this Deed of Trust; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under this Deed of Trust; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Beneficiary or Trustee. Beneficiary and Trustee may take any of the actions permitted hereunder either with or without giving notice to any person.

(g) Beneficiary may bring an action in any court of competent jurisdiction to foreclose this instrument or to obtain specific enforcement of any of the covenants or agreements

of this Deed of Trust, and Trustor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy. For the purposes of any suit brought under this subsection, Trustor waives the defenses of laches and any applicable statute of limitations.

(h) Beneficiary may cause the Property to be sold by Trustee as permitted by applicable law. Before any such trustee's sale, Beneficiary or Trustee shall give such notice of default and election to sell as may then be required by law. When all time periods then legally mandated have expired, and after such notice of sale as may then be legally required has been given, Trustee shall sell the Property, either as a whole or in separate parcels, and in such order as Trustee may determine, at a public auction to be held at the time and place specified in the notice of sale. Neither Trustee nor Beneficiary shall have any obligation to make demand on Trustor before any trustee's sale. From time to time in accordance with then applicable law, Trustee may, and in any event at Beneficiary's request shall, postpone any trustee's sale by public announcement at the time and place noticed for that sale. At any trustee's sale, Trustee shall sell to the highest bidder at public auction for cash in lawful money of the United States. Any person, including Trustor, Trustee or Beneficiary, may purchase at the trustee's sale. Trustee shall execute and deliver to the purchaser(s) a deed or deeds conveying the property being sold without any covenant or warranty whatsoever, express or implied. The recitals in any such deed of any matters or facts, including any facts bearing upon the regularity or validity of any trustee's sale, shall be conclusive proof of their truthfulness. Any such deed shall be conclusive against all persons as to the facts recited in it.

(i) Upon sale of the Property at any judicial or non-judicial foreclosure, Beneficiary may credit bid (as determined by Beneficiary in its sole discretion) all or any portion of the Secured Obligations. In determining such credit bid, Beneficiary may, but is not obligated to, take into account all or any of the following: (i) appraisals of the Property as such appraisals may be discounted or adjusted by Beneficiary in its sole underwriting discretion; (ii) expenses and costs incurred by Beneficiary with respect to the Property prior to foreclosure; (iii) expenses and costs which Beneficiary anticipates will be incurred with respect to the Property after foreclosure, but prior to resale, including without limitation, costs of structural reports and other due diligence, costs to carry the Property prior to resale, costs of resale (e.g., commissions, attorneys' fees, and taxes), Hazardous Materials (as defined in the Reimbursement Agreement) clean-up and monitoring, deferred maintenance, repair, refurbishment and retrofit, and costs of defending or settling litigation affecting the Property; (iv) declining trends in real property values generally and with respect to properties similar to the Property; (v) anticipated discounts upon resale of the Property as a distressed or foreclosed property; (vi) the existence of additional collateral, if any, for the Secured Obligations; and (vii) such other factors or matters that Beneficiary deems appropriate. Trustor acknowledges and agrees that: (A) Beneficiary is not required to use any or all of the foregoing factors to determine the amount of its credit bid; (B) this Section does not impose upon Beneficiary any additional obligations that are not imposed by law at the time the credit bid is made; (C) the amount of Beneficiary's credit bid need not have any relation to any loan-to-value ratios specified in any agreement between Trustor and Beneficiary or previously discussed by Trustor and Beneficiary; and (D) Beneficiary's credit bid may be, at Beneficiary's sole discretion, higher or lower than any appraised value of the Property.

5.4 Application of Sale Proceeds and Rents.

(a) Beneficiary and Trustee shall apply the proceeds of any sale of the Property in the following manner: first, to pay the portion of the Secured Obligations attributable to the costs, fees and expenses of the sale, including costs of evidence of title in connection with the sale; and, second, to pay all other Secured Obligations in any order and proportions as Beneficiary in its sole discretion may choose. The remainder, if any, shall be remitted to the person or persons entitled thereto.

(b) Beneficiary shall apply any and all Rents collected by it, and any and all sums other than proceeds of any sale of the Property which Beneficiary may receive or collect under Section 5.3, in the following manner: first, to pay the portion of the Secured Obligations attributable to the costs and expenses of operation and collection that may be incurred by Trustee, Beneficiary or any receiver; and, second, to pay all other Secured Obligations in any order and proportions as Beneficiary in its sole discretion may choose. The remainder, if any, shall be remitted to the person or persons entitled thereto. Beneficiary shall have no liability for any funds that it does not actually receive.

5.5 Costs, Expenses and Attorneys' Fees. Trustor agrees to pay to Beneficiary immediately upon demand the full amount of all payments, advances, charges, costs and expenses, including court costs and reasonable attorneys' fees (to include outside counsel fees and all allocated costs of Beneficiary's in-house counsel), expended or incurred by Trustee or Beneficiary pursuant to this Section V, whether incurred at the trial or appellate level, in an arbitration proceeding or otherwise, and including any of the foregoing incurred in connection with any bankruptcy proceeding (including without limitation, any adversary proceeding, contested matter or motion brought by Beneficiary or any other person) relating to Trustor or in any way affecting any of the Property or Beneficiary's ability to exercise any of its rights or remedies with respect thereto. All of the foregoing shall be paid by Trustor with interest from the date of demand until paid in full at the highest rate per annum payable under any Secured Obligation.

6. MISCELLANEOUS PROVISIONS

6.1 No Waiver or Cure.

(a) Each waiver by Beneficiary or Trustee must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Beneficiary or Trustee to take action on account of any default of Trustor. Consent by Beneficiary or Trustee to any act or omission by Trustor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Beneficiary's or Trustee's consent to be obtained in any future or other instance.

(b) If any of the events described below occurs, that event alone shall not cure or waive any breach, Event of Default or notice of default under this Deed of Trust or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed); or impair the security of this Deed of Trust; or prejudice Beneficiary, Trustee or any receiver in the exercise of any right or remedy afforded any of them under this Deed of Trust; or be construed as an affirmation by Beneficiary of any tenancy, lease or option, or a subordination of the lien of this Deed of Trust:

(i) Beneficiary, its agent or a receiver takes possession of all or any part of the Property;

(ii) Beneficiary collects and applies Rents, either with or without taking possession of all or any part of the Property;

(iii) Beneficiary receives and applies to any Secured Obligation proceeds of any Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Beneficiary under this Deed of Trust;

(iv) Beneficiary makes a site visit, observes the Property and/or conducts tests thereon;

(v) Beneficiary receives any sums under this Deed of Trust or any proceeds of any collateral held for any of the Secured Obligations, and applies them to one or more Secured Obligations; or

(vi) Beneficiary, Trustee or any receiver performs any act which it is empowered or authorized to perform under this Deed of Trust or invokes any right or remedy provided under this Deed of Trust.

6.2 Powers of Beneficiary and Trustee.

(a) Trustee shall have no obligation to perform any act which it is empowered to perform under this Deed of Trust unless it is requested to do so in writing and is reasonably indemnified against loss, cost, liability and expense.

(b) Beneficiary may take any of the actions permitted under Sections 5.3(b) and/or 5.3(c) regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Deed of Trust.

(c) From time to time, Beneficiary or Trustee may apply to any court of competent jurisdiction for aid and direction in executing the trust and enforcing the rights and remedies created under this Deed of Trust. Beneficiary or Trustee may from time to time obtain orders or decrees directing, confirming or approving acts in executing this trust and enforcing these rights and remedies.

6.3 Merger. No merger shall occur as a result of Beneficiary's acquiring any other estate in or any other lien on the Property unless Beneficiary consents to a merger in writing.

6.4 Applicable Law. This Deed of Trust shall be governed by California law.

6.5 Successors in Interest. The terms, covenants and conditions of this Deed of Trust shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties. However, this Section does not waive the provisions of Section 5.1. Beneficiary reserves the right to sell, assign, transfer, negotiate or grant participations in all or any part of, or any interest in, Beneficiary's rights and benefits under the Reimbursement Agreement, any and all other Secured Obligations and this Deed of Trust. In connection therewith, Beneficiary may disclose all documents and information which Beneficiary now has or hereafter acquires relating to the Property, all or any of the Secured Obligations and/or Trustor and, as applicable, any partners, joint venturers or members of Trustor, whether furnished by any Trustor or otherwise.

6.6 Interpretation. Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Deed of Trust are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to." The word "obligations" is used in its broadest and most comprehensive sense, and includes all primary, secondary, direct, indirect, fixed and contingent obligations. It further includes all principal, interest, prepayment charges, late charges, loan fees and any other fees and charges accruing or assessed at any time, as well as all obligations to perform acts or satisfy conditions. No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Deed of Trust. The Exhibits to this Deed of Trust are hereby incorporated in this Deed of Trust.

6.7 In-House Counsel Fees. Whenever Trustor is obligated to pay or reimburse Beneficiary or Trustee for any attorneys' fees, those fees shall include the allocated costs for services of in-house counsel.

6.8 Waiver of Marshaling. Trustor waives all rights, legal and equitable, it may now or hereafter have to require marshaling of assets or to direct the order in which any of the Property will be sold in the event of any sale under this Deed of Trust, including any rights provided by California Civil Code Sections 2899 and 3433, as such Sections may be amended from time to time. Each successor and assignee of Trustor, including any holder of a lien subordinate to this Deed of Trust, by acceptance of its interest or lien agrees that it shall be bound by the above waiver, as if it had given the waiver itself.

6.9 Severability. If any provision of this Deed of Trust should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and in no way affect the validity of this Deed of Trust except that if such provision relates to the payment of any monetary sum, then Beneficiary may, at its option, declare all Secured Obligations immediately due and payable.

6.10 Statement of Obligation. Upon demand by Beneficiary, Trustor shall pay Beneficiary a fee not to exceed \$60.00 or such other maximum amount as may be imposed by law for furnishing any Statement of Obligation as provided by Section 2943 of the California Civil Code.

6.11 Power to File Notices and Cure Defaults. Trustor hereby irrevocably appoints Beneficiary and its successors and assigns as Trustor's true attorney-in-fact to perform any of the following powers, which agency is coupled with an interest: (a) to execute and/or record any notices of completion, cessation of labor, or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest; and (b) upon the occurrence of any event, act or omission which with the giving of notice or the passage of time, or both, would constitute an Event Default, to perform any obligation of Trustor hereunder; provided however, that Beneficiary, as such attorney-in-fact, shall only be accountable for such funds as are actually received by Beneficiary, and Beneficiary shall not be liable to Trustor or any other person or entity for any failure to act under this Section.

6.12 Arbitration.

(a) Arbitration. The parties hereto agree, upon demand by any party, to submit to binding arbitration all claims, disputes and controversies between or among them (and their respective employees, officers, directors, attorneys, and other agents), whether in tort, contract or otherwise arising out of or relating to in any way (i) the loan and related loan and security documents which are the subject of this Deed of Trust and its negotiation, execution, collateralization, administration, repayment, modification, extension, substitution, formation, inducement, enforcement, default or termination; or (ii) requests for additional credit.

(b) Governing Rules. Any arbitration proceeding will (i) proceed in a location in California selected by the American Arbitration Association ("AAA"); (ii) be governed by the Federal Arbitration Act (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (iii) be conducted by the AAA, or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures, unless the claim or counterclaim is at least \$1,000,000.00 exclusive of claimed interest, arbitration fees and costs in which case the arbitration shall be conducted in accordance with the AAA's optional procedures for large, complex commercial disputes (the commercial dispute resolution procedures or the optional procedures for large, complex commercial disputes to be referred to, as applicable, as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Any party who fails or refuses to submit to arbitration following a demand by any other party shall bear all costs and expenses incurred by such other party in



compelling arbitration of any dispute. Nothing contained herein shall be deemed to be a waiver by any party that is a bank of the protections afforded to it under 12 U.S.C. §91 or any similar applicable state law.

(c) No Waiver of Provisional Remedies, Self-Help and Foreclosure. The arbitration requirement does not limit the right of any party to (i) foreclose against real or personal property collateral; (ii) exercise self-help remedies relating to collateral or proceeds of collateral such as setoff or repossession; or (iii) obtain provisional or ancillary remedies such as replevin, injunctive relief, attachment or the appointment of a receiver, before during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of any party to submit any dispute to arbitration or reference hereunder, including those arising from the exercise of the actions detailed in sections (i), (ii) and (iii) of this paragraph.

(d) Arbitrator Qualifications and Powers. Any arbitration proceeding in which the amount in controversy is \$5,000,000.00 or less will be decided by a single arbitrator selected according to the Rules, and who shall not render an award of greater than \$5,000,000.00. Any dispute in which the amount in controversy exceeds \$5,000,000.00 shall be decided by majority vote of a panel of three arbitrators; provided however, that all three arbitrators must actively participate in all hearings and deliberations. The arbitrator will be a neutral attorney licensed in the State of California or a neutral retired judge of the state or federal judiciary of California, in either case with a minimum of ten years experience in the substantive law applicable to the subject matter of the dispute to be arbitrated. The arbitrator will determine whether or not an issue is arbitratable and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. The arbitrator shall resolve all disputes in accordance with the substantive law of California and may grant any remedy or relief that a court of such state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the California Rules of Civil Procedure or other applicable law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

(e) Discovery. In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the dispute being arbitrated and must be completed no later than 20 days before the hearing date and within 180 days of the filing of the dispute with the AAA. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

(f) Class Proceedings and Consolidations. The resolution of any dispute arising pursuant to the terms of this Deed of Trust shall be determined by a separate arbitration proceeding and such dispute shall not be consolidated with other disputes or included in any class proceeding.

(g) Payment Of Arbitration Costs And Fees. The arbitrator shall award all costs and expenses of the arbitration proceeding.

(h) Real Property Collateral; Judicial Reference. Notwithstanding anything herein to the contrary, no dispute shall be submitted to arbitration unless: (i) Beneficiary specifically elects in writing to proceed with the arbitration; or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of California, thereby agreeing that all Secured Obligations, and all mortgages, liens and security interests securing any of the Secured Obligations, shall remain fully valid and enforceable. If any such dispute is not submitted to arbitration, the dispute shall be referred to a referee in accordance with California Code of Civil Procedure Section 638 et seq., and this general reference agreement is intended to be specifically enforceable in accordance with said Section 638. A referee with the qualifications required herein for arbitrators shall be selected pursuant to the AAA's selection procedures. Judgment upon the decision rendered by a referee shall be entered in the court in which such proceeding was commenced in accordance with California Code of Civil Procedure Sections 644 and 645.

(i) Miscellaneous. To the maximum extent practicable, the AAA, the arbitrators and the parties shall take all action required to conclude any arbitration proceeding within 180 days of the filing of the dispute with the AAA. No arbitrator or other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a dispute, the arbitration provision most directly related to the documents between the parties or the subject matter of the dispute shall control. This arbitration provision shall survive termination, amendment or expiration of any of the documents or any relationship between the parties.

6.13 Notices. Trustor hereby requests that a copy of notice of default and notice of sale be mailed to it at the address set forth below. That address is also the mailing address of Trustor as debtor under the California Uniform Commercial Code. Beneficiary's address given below is the address for Beneficiary as secured party under the California Uniform Commercial Code.

\* \* \*

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the date first set forth above.

**TRUSTOR PLEASE NOTE: IN THE EVENT OF YOUR DEFAULT, CALIFORNIA PROCEDURE PERMITS THE TRUSTEE TO SELL THE PROPERTY AT A SALE HELD WITHOUT SUPERVISION BY ANY COURT AFTER EXPIRATION OF A PERIOD PRESCRIBED BY LAW (SEE SECTION 5.3(h) ABOVE). UNLESS YOU PROVIDE AN ADDRESS FOR THE GIVING OF NOTICE, YOU MAY NOT BE ENTITLED TO OTHER NOTICE OF THE COMMENCEMENT OF SALE PROCEEDINGS. BY EXECUTION OF THIS DEED OF TRUST, YOU CONSENT TO SUCH PROCEDURE. IF YOU HAVE ANY QUESTIONS CONCERNING IT, YOU SHOULD CONSULT YOUR LEGAL ADVISOR. BENEFICIARY URGES YOU TO GIVE PROMPT NOTICE OF ANY CHANGE IN YOUR ADDRESS SO THAT YOU MAY RECEIVE PROMPTLY ANY NOTICE GIVEN PURSUANT TO THIS DEED OF TRUST.**

Addresses for Notices to Trustor:


Kern Water Bank Authority  
P.O. Box 80607  
Bakersfield, CA 93380-0607  
Attention: Ms. Cheryl Harding,  
Project Coordinator

and

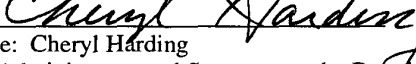
Kern Water Bank Authority  
33141 E. Lerdo Highway  
Bakersfield, CA 93380  
Attention: Ms. Cheryl Harding,  
Project Coordinator

Trustor:

KERN WATER BANK AUTHORITY

By:   
Name: William D. Phillimore  
Its: Chairman

and

By:   
Name: Cheryl Harding  
Its: Administrator and Secretary to the Board

Address for Notices to Beneficiary:

Wells Fargo Bank, National Association  
5401 California Avenue, Suite 200  
Bakersfield, CA 93309  
Attention: John C. Smith

Address for Notices to Trustee:

American Securities Corporation  
c/o Specialize Service  
401 West 24th Street  
National City, CA 91950

State of California        }  
                                      }  
County of Kern            }

On NOVEMBER 21, 2003, before me, TERESA MOSLEY, NOTARY PUBLIC  
personally appeared WILLIAM D. PHILLIPPORE, personally known to me (or  
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.

WITNESS my hand and official seal.

Signature *Teresa Mosley*



State of California        }  
  }  
County of Kern             }

On NOVEMBER 21, 2003, before me, TERESA MOSLEY, NOTARY PUBLIC  
personally appeared CHERYL MARRING, personally known to me (or  
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.

WITNESS my hand and official seal.

Signature *Teresa Mosley*





P. O. Box 9929, Bakersfield, CA 93389 (661) 395-3700

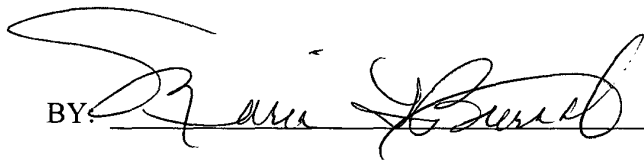
I HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE NOTARY SEAL OF TERESA MOSLEY, AFFIXED TO THE WITHIN DOCUMENT, WHILE NOT BEING PHOTOGRAPHICALLY REPRODUCIBLE, CAN BE READ.

I FURTHER CERTIFY THAT THE SAID NOTARY COMMISSION EXPIRES ON DECEMBER 14, 2003. THE NOTARY BOND AND COMMISSION IS FILED IN KERN COUNTY, STATE OF CALIFORNIA.

PLACE OF EXECUTION: BAKERSFIELD, CALIFORNIA

DATE: 11-21-03

**CHICAGO TITLE COMPANY**

BY: 

ESCROW OFFICER

Exhibit A to DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING executed as of November 1, 2003, by Kern Water Bank Authority, as "Trustor", to American Securities Company, as "Trustee", for the benefit of Wells Fargo Bank, National Association, as "Beneficiary."

Description of Property

1593054.03.01

Exhibit A to DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING executed as of November 1, 2003, by Kern Water Bank Authority, as "Trustor", to American Securities Company, as "Trustee", for the benefit of Wells Fargo Bank, National Association, as "Beneficiary."

Description of Property

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, DESCRIBED IN DEEDS TO THE STATE OF CALIFORNIA, RECORDED AUGUST 31, 1988, BOOK 6158, PAGE 1098 THROUGH 1119; RECORDED MARCH 22, 1990 IN BOOK 6360, PAGES 1923 THROUGH 1925; MARCH 7, 1990 IN BOOK 6354, PAGE 998 THROUGH 1000; AND MARCH 7, 1990 IN BOOK 6354, PAGES 989 THROUGH 991, ALL OF OFFICIAL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID KERN COUNTY, BEING MORE OR LESS DESCRIBED HEREIN AS FOLLOWS, AS TO PARCELS 1 THROUGH 61 INCLUSIVE:

PARCEL 1: (KRGW-1 UNIT A UNIT A1)

SECTION 12, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 2: (KRWG-1 UNIT A UNIT A2)

SECTION 13, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.



PARCEL 3: (KRGW-1 UNIT A UNIT A3)

THE NORTHEAST QUARTER; THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THAT PORTION OF SAID SECTION 24 DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 23, 1933, IN BOOK 458, PAGE 481, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24, AND THENCE SOUTH 51° 52' EAST A DISTANCE OF 2130 FEET; MORE OR LESS, TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 24; THENCE WEST ALONG SAID SOUTH LINE OF A DISTANCE OF 1672.8 FEET TO THE SOUTHWEST CORNER OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24; AND THENCE NORTH ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24 TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 4: (KRGW-A UNIT A UNIT A8)

SECTION 18, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AND AREA OF 650 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 5: (KRGW 1 UNIT A UNIT A9 AND UNIT B UNIT B5)

SECTION 19, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

Page 3  
Order No. 696028

## DESCRIPTION

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT FROM THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, AND THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 6: (KRGW-1 UNIT A UNIT A4)

THAT PORTION OF THE SOUTH HALF OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS OF SAID KERN COUNTY, AND CONTAINING AN AREA OF 319 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH

Page 4  
Order No. 696028

DESCRIPTION

ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 7: (KRGW-1 UNIT A UNIT A4)

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID KERN COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 8: (KRGW-1 UNIT A UNIT A5)

SECTION 7, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 9: (KRGW-A UNIT A UNIT A6)

THAT PORTION OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID KERN COUNTY.

Page 5  
Order No. 696028

## DESCRIPTION

EXCEPT THOSE PORTIONS CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL AND CROSS-VALLEY CANAL PUMPING PLAT NUMBER 1, BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 10: (KRGW-1 UNIT B UNIT B1)

THAT PORTION OF SECTION 9, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT THOSE PORTIONS CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL AND CROSS-VALLEY CANAL PUMPING PLAT NUMBER 1, BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 11: (KRGW-A UNIT A UNIT A7 AND UNIT B UNIT B4)

SECTION 17, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL

Page 6  
Order No. 696028

DESCRIPTION

ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 12: (KRGW-1 UNIT B UNIT B3)

THAT PORTION OF SECTION 16, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 13: (KRGW-1 UNIT B UNIT B2)

THAT PORTION OF SECTION 15, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS, CONTAINING AN AREA OF 154 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST

Page 7  
Order No. 696028

DESCRIPTION

OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 14: (KRGW-1 UNIT B UNIT B6)

SECTION 20, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT FROM THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER AND THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 15: (KRGW-1 UNIT B UNIT B7)

DESCRIPTION

THE NORTH HALF OF SECTION 21, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 320 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 16: (KRGW-1 UNIT B UNIT B8)

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 17: (KRGW-1 UNIT B UNIT B9 AND UNIT C UNIT C6)

THAT PORTION OF THE WEST HALF, AND THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO WEST KERN WATER DISTRICT, BY DEED RECORDED AUGUST 22, 1988, BOOK 6155, PAGE 1405, OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS

Page 9  
Order No. 696028

DESCRIPTION

USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 18: (KRGW-1 UNIT C UNIT C3)

THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 160 ACRES, MORE OR LESS.

EXCEPT FROM THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 19: (KRGW-1 UNIT C UNIT C2)

SECTION 27, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 638 ACRES, MORE OR LESS.

EXCEPT FROM THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST



Page 10  
Order No. 696028

## DESCRIPTION

QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTH HALF OF THE SOUTHEAST QUARTER; AND THE SOUTHWEST QUARTER OF SAID SECTION; ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 20: (KRGW-1 UNIT C UNIT C1)

THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE EAST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

Page 11  
Order No. 696028

DESCRIPTION

PARCEL 21: (KRGW-1 UNIT C UNIT C4)

SECTION 34, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 639 ACRES, MORE OR LESS.

EXCEPT FROM THE NORTH HALF; THE NORTH HALF OF THE SOUTH HALF, THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER; THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 22: (KRGW-1 UNIT C UNIT C5)

SECTION 35, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THAT PORTION DESCRIBED IN DIRECTOR'S DEED, KRGW-1-A, RECORDED MARCH 22, 1990, IN BOOK 6360, PAGE 1927 OF OFFICIAL RECORDS BEING MORE OR LESS RECITED HEREIN AS FOLLOWS:

THAT PORTION OF SECTION 35, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTH OF THE SOUTH RIGHT OF WAY LINE OF STATE HIGHWAY 119, SAID RIGHT OF WAY BEING MORE PARTICULARLY DESCRIBED IN STATE HIGHWAY DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 15, 1937, BOOK 683 PAGE 74, OFFICIAL RECORDS OF SAID KERN COUNTY.

Page 12  
Order No. 696028

## DESCRIPTION

EXCEPTING THEREFROM THE EAST 758.43 FEET OF SAID SECTION 35, AS DESCRIBED IN EASEMENT DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 2, 1964 IN BOOK 3677 PAGE 293, OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT FROM THE WEST HALF; THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; THE WEST HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 23: (KRGW-3 UNIT A UNIT A1 AND UNIT B UNIT B1)

THE SOUTH HALF OF SECTION 3, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OR CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

Page 13  
Order No. 696028

DESCRIPTION

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 24: (KRGW-3 UNIT A UNIT A2 AND UNIT B UNIT B2)

THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 25: (KRGW-3 UNIT A UNIT A2 AND UNIT B UNIT B2)

PARCEL 2, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, AS SHOWN ON AMENDED PARCEL MAP NNO. 1450 FILED FEBRUARY 6, 1974 IN THE OFFICE OF THE COUNTY RECORDER OF KERN COUNTY.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

SAID LAND IS A DIVISION OF A PORTION OF THE EAST HALF OF SECTION 4, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST

Page 14  
Order No. 696028

DESCRIPTION

OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 26: (KRGW-3 UNIT A UNIT A3)

THAT PORTION OF THE SOUTH HALF OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OFFICIAL RECORDS.

EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 5.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 27: (KRGW-3 UNIT A UNIT A4)

THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 28: (KRGW-3 UNIT A UNIT A5)

Page 15  
Order No. 696028

## DESCRIPTION

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 29: (KRGW-3 UNIT A UNIT A6)

THAT PORTION OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 30: (KRGW-3 UNIT A UNIT A7 AND UNIT B AND UNIT B3)

THAT PORTION OF SECTION 9, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

Page 16  
Order No. 696028

## DESCRIPTION

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 31: (KRGW-3 UNIT B UNIT B4)

ALL OF SECTION 10, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 32: (KRGW-3 UNIT B UNIT B5)

ALL OF SECTION 11, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 33: (KRGW-3 UNIT B UNIT B6)

ALL OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN

Page 17  
Order No. 696028

DESCRIPTION

THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION DESCRIBED AS:

BEGINNING AT THE IRON PIPE WITH A 4 INCH BRASS CAP (STAMPED R. E. 2312, 1937) MARKING THE NORTHWEST CORNER OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, AND RUNNING THENCE SOUTH 89° 39' EAST, ALONG THE NORTHERLY BOUNDARY LINE OF SAID SECTION 14, A DISTANCE OF 415.00 FEET; THENCE ALONG A LINE PARALLEL WITH THE WESTERLY BOUNDARY LINE OF SAID SECTION 14, THE FOLLOWING TWO COURSES AND DISTANCES, NAMELY: SOUTH 0° 17 1/2 WEST, 55.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP.); AND THENCE CONTINUING SOUTH 0° 17 1/2 WEST, 330.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH PIPE BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP. COR.); THENCE ALONG A LINE PARALLEL WITH THE NORTHERLY BOUNDARY LINE OF SAID SECTION 14 THE FOLLOWING TWO COURSES AND DISTANCES, NAMELY; NORTH 89° 39' WEST, 360.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP.); AND THENCE CONTINUING NORTH 89° 39' WEST, 55.00 FEET TO A POINT IN THE WESTERLY BOUNDARY LINE OF SAID SECTION 14; THENCE NORTH 0° 17 1/2 EAST, ALONG THE WESTERLY BOUNDARY LINE OF SAID SECTION 14, A DISTANCE OF 385.00 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 34: (KRGW-3 UNIT B UNIT B7)

THAT PORTION OF SECTION 15, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.



DESCRIPTION

PARCEL 35: ((KRGW-3 UNIT B UNIT B8)

THAT PORTION OF SECTION 16, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 36: (KRGW-3 UNIT B UNIT B9)

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 37: (KRGW-3 UNIT B UNIT B10)

THAT PORTION OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL THAT PORTION THEREOF LYING SOUTHERLY OF THE NORTHERLY LINE OF PARCEL 2 AS DESCRIBED IN THE DEED TO THE CITY OF BAKERSFIELD, RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OFFICIAL RECORDS, SAID LINE BEING DESCRIBED AS

Page 19  
Order No. 696028

## DESCRIPTION

BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY LINE OF THE STATE HIGHWAY REFERRED TO ABOVE, AT "THE EAST-WEST CENTERLINE OF SAID SECTION 23; THENCE ALONG SAID CENTERLINE SOUTH 88° 41' 55" EAST, 2790.38 FEET; THENCE NORTH 55° 19' 28" EAST, 330.00 FEET; THENCE NORTH 74° 21' 35" EAST, 450.00 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SECTION 23."

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 38: (KRGW-5 UNIT A)

THAT PORTION OF THE SOUTH HALF OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY DESCRIBED THEREIN AS PARCEL 2 CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1964 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS, DESCRIBED THEREIN AS PARCEL 1.

ALSO EXCEPT THAT PORTION CONVEYED TO THE CITY OF BAKERSFIELD, A MUNICIPAL CORPORATION, BY DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 39: (KRGW-7 UNIT A)

THAT PORTION OF THE WEST HALF AND THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY AND SOUTHWESTERLY OF THE SOUTHWESTERLY BOUNDARY OF THAT CERTAIN

Page 20  
Order No. 696028

DESCRIPTION

PARCEL CONVEYED TO THE STATE OF CALIFORNIA FOR THE PURPOSES OF A FREEWAY RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 40: (KRGW-7 UNIT B)

THAT PORTION OF SECTION 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY BOUNDARY OF THAT CERTAIN PARCEL CONVEYED TO THE STATE OF CALIFORNIA FOR THE PURPOSES OF A FREEWAY RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 36.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 41: (KRGW-9 UNIT A)

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA, OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTH-WESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS, AND OTHER HYDROCARBONS, AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS, AND ALL OTHER MINERAL SUBSTANCES

Page 21  
Order No. 696028

DESCRIPTION

AND PRODUCTS, BOTH METALLIC AND NON METALLIC, SOLID, LIQUID, OR GASEOUS) WHICH ARE UPON, IN, UNDER, OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M., T.D.S.) WHICH IS IN, UNDER, OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 42: (KRGW-11 UNIT A UNIT A1)

ALL OF SECTION 28, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER, THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 43: (KRGW-11 UNIT A UNIT A2)

THAT PORTION OF THE NORTH HALF OF SECTION 31, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER AND THE NORTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC

Page 22  
Order No. 696028

DESCRIPTION

RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 44: (KRGW-11 UNIT AUNIT A3)

ALL OF SECTION 32, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE NORTH HALF OF THE NORTHWEST QUARTER, THE NORTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER AND THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 45: (KRGW-11 UNIT A UNIT A4)

ALL OF SECTION 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 46: (KRGW-13 UNIT A)

THAT PORTION OF SECTION 25, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED

Page 23  
Order No. 696028

DESCRIPTION

MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE NORTHEAST QUARTER; THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 47: (KRGW-13 UNIT B)

THAT PORTION OF SECTION 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 48: (KRGW-15 UNIT A UNIT A1)

THAT PORTION OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY ON A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION 24, DISTANT THEREON SOUTH 00° 22' 38" EAST, 1526.351 FEET FROM THE NORTHEAST CORNER THEREOF, WHICH POINT LIES ON THE NORTHERLY BOUNDARY LINE OF THE KERN RIVER CANAL RIGHT OF WAY, AS HERINAFTER DESCRIBED; THENCE ALONG SAID NORTHERLY BOUNDARY LINE, SOUTH 82° 29' 42" WEST, 1202.846 FEET TO THE WESTERLY TERMINUS OF THE CONCRETE LINED SECTION OF SAID CANAL; THENCE SOUTH 07° 30' 18" EAST, 100.00 FEET; THENCE ALONG THE SOUTHERLY BOUNDARY OF THE EARTHEN SECTION OF SAID CANAL, SOUTH 82° 29' 42" WEST,

Page 24  
Order No. 696028

DESCRIPTION

2181.995 FEET; THENCE, LEAVING SAID BOUNDARY SOUTH 39° 25' 12" WEST, 876.787 FEET; THENCE SOUTH 77° 55' 12" WEST, 1400.00 FEET, MORE OR LESS, TO A POINT ON THE WEST LINE OF SAID SECTION 24, DISTANT THEREON 340.00 FEET SOUTHERLY OF THE WEST ONE-QUARTER CORNER THEREOF.

EXCEPT THAT PORTION OF SAID SECTION GRANTED TO THE STATE OF CALIFORNIA, FOR FREEWAY PURPOSES, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED THEREIN.

ALSO EXCEPT ANY PORTION THEREOF LYING NORTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL.

ALSO EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 24.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 49: (KRGW-15 UNIT A UNIT A3)

ALL THAT PORTION OF SECTION 19, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTH HALF AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 19.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 50: (KRGW-15 UNIT A UNIT A4)

ALL THAT PORTION OF SECTION 20, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO

Page 25  
Order No. 696028

DESCRIPTION

MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT THE SOUTH HALF OF THE SOUTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST OF SAID SECTION 20.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 51: (KRGW 15 UNIT A UNIT A2)

ALL THAT PORTION OF SECTION 17, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN GRANT DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 52: (KRGW-17 UNIT A UNIT A1)

SECTION 13, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 13.

ALSO EXCEPT THE SOUTH 1000 FEET OF THE WEST 1000 FEET OF THE SOUTHWEST QUARTER



Page 26  
Order No. 696028

DESCRIPTION

OF THE NORTHWEST QUARTER OF SAID SECTION 13, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 540 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 53: (KRGW 17 UNIT A UNIT A2)

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, AND THE WEST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 50 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 54: (KRGW-17 UNIT A UNIT A3)

THE NORTH HALF OF SECTION 18, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THEREFROM THE EASTERLY 1700 FEET OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER; THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER; THE EASTERLY 900 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; AND THE EASTERLY 900 FEET OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 18, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 222 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER

Page 27  
Order No. 696028

DESCRIPTION

MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 55: (KRGW-19 UNIT A UNIT A1 AND UNIT B)

THE SOUTH HALF OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 56: (KRGW-19 UNIT A UNIT A2)

SECTION 12, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 561 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

Page 28  
Order No. 696028

DESCRIPTION

PARCEL 57: (KRGW-19 UNIT A UNIT A3)

THAT PORTION OF SECTION 7, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS GRANTED TO SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF SAID COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 58: (KRGW-30 UNIT A AND UNIT B)

THAT PORTION OF THE SOUTH HALF OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC ASPHALTO BRANCH AS GRANTED TO THE SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 59: (KWB-4-B)

THE SOUTH 1000 FEET OF THE WEST 1000 FEET OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

Page 29  
Order No. 696028

DESCRIPTION

PARCEL 60: (KWB-5-A)

UNIT A

THE NORTH 385 FEET OF THE WEST 415 FEET OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 3.67 ACRES, MORE OR LESS.

UNIT B

THAT PORTION OF THE EAST 5000 FEET OF THE NORTH HALF OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE NORTHERLY LINE OF THE PIONEER CANAL EASEMENT AS DESCRIBED IN PARCEL C, P-O CANAL EASEMENT DEED, RECORDED DECEMBER 6, 1978 IN BOOK 5159 PAGE 2217, OFFICIAL RECORDS OF SAID COUNTY.

UNIT C

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE NORTHERLY LINE OF THE PIONEER CANAL EASEMENT AS DESCRIBED IN PARCEL C, P-O CANAL EASEMENT DEED, RECORDED DECEMBER 6, 1978 IN BOOK 5159 PAGE 2217, OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF SAID NORTHWEST QUARTER LYING NORTHEASTERLY OF THE SOUTHWESTERLY PROPERTY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS GRANTED TO THE SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893, IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF SAID COUNTY.

UNIT D

THE SOUTH 1176.00 FEET OF THE WEST 165.00 FEET OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL 61: (KRGW-29)

UNIT A

THAT PORTION OF THE WEST HALF OF THE WEST HALF OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHWESTERLY PROPERTY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS SAID RAILROAD IS DESCRIBED IN DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF KERN COUNTY.

EXCEPTING THEREFROM THE SOUTHERLY 820 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 8, AS GRANTED TO THE CITY OF BAKERSFIELD, A MUNICIPAL CORPORATION, BY DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OF OFFICIAL RECORDS.

SUBJECT TO ALL EXCEPTIONS, RESERVATIONS, TERMS, CONDITIONS, COVENANTS, AND RESTRICTIONS CONTAINED AND RECITED IN THAT CERTAIN OIL, GAS, AND/OR MINERAL INTEREST ASSIGNMENT AND CONVEYANCE FROM TENNECO WEST, INC., TO TENNECO OIL

Page 30  
Order No. 696028

DESCRIPTION

COMPANY, RECORDED NOVEMBER 18, 1988 IN BOOK 6183 PAGE 1167 OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THOSE PORTIONS OF THE HEREINABOVE DESCRIBED SECTIONS 1, 11, 12, 13, 14, 23, 24, 25, 35 AND 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, INCLUDED WITHIN THE LINES OF THE PARCELS OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED DECEMBER 15, 1934 IN BOOK 547, PAGE 56; RECORDED AUGUST 22, 1935 IN BOOK 596, PAGE 34; RECORDED MAY 20, 1977 IN BOOK 5028, PAGE 2074 AND RECORDED MAY 20, 1977 IN BOOK 5028 PAGE 2077 ALL OF OFFICIAL RECORDS OF KERN COUNTY. (AFFECTS PARCELS 22, 32, 33, 37, 38, 40, 46, 48, 52, 55, 56, AND 59).

ALSO EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THOSE PORTIONS OF THE HEREINABOVE DESCRIBED SECTIONS 34, 35 AND 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, INCLUDED WITHIN THE LINES OF PARCELS OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 15, 1937, IN BOOK 683, PAGE 74, AND RECORDED JANUARY 2, 1964 IN BOOK 3677, PAGE 293 BOTH OF OFFICIAL RECORDS OF KERN COUNTY. (AFFECTS PARCELS 21, 22 AND 40).

ALSO EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THE SOUTH 30 FEET OF THE HEREINABOVE DESCRIBED SECTIONS 32 AND 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF. (AFFECTS PARCELS 44 AND 45).

BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM, ZONE V, 1927.

THE DEPARTMENT OF WATER RESOURCES, STATE OF CALIFORNIA, HEREBY 1) RESERVES TO ITSELF TITLE TO ONE-HALF OF THE LA HACIENDA PROGRAM WATER AND ONE-HALF OF THE BERRENDA MESA DEMONSTRATION PROGRAM WATER; AND 2) GRANTS TO KERN COUNTY WATER AGENCY ONE-HALF OF THE LA HACIENDA PROGRAM WATER, ONE-HALF OF THE BERRENDA MESA DEMONSTRATION PROGRAM WATER, ALL OF THE 1995 WATER, AND ALL OTHER WATER ON, IN OR UNDER THE REAL PROPERTY WHICH HAS NOT BEEN RESERVED TO THE STATE HEREIN. "BERRENDA MESA DEMONSTRATION PROGRAM WATER" SHALL MEAN 2,532 ACRE FEET OF GROUNDWATER THAT MAY BE EXTRACTED BY THE STATE WITHIN THE PROPERTY AS PART OF THE 1990 BERRENDA MESA DEMONSTRATION PROGRAM. "LA HACIENDA PROGRAM WATER" SHALL MEAN THE 83,127 ACRE FEET OF WATER THAT HAS NOT BEEN EXTRACTED BEFORE THE CLOSE OF ESCROW OF THE 98,005 ACRE-FEET OF THE GROUNDWATER PURCHASED BY THE STATE FROM THE KERN COUNTY WATER AGENCY, AND THE KERN COUNTY WATER AGENCY FROM LA HACIENDA, INC., IN 1991. "1995 WATER" SHALL MEAN ALL WATER ON, IN OR UNDER THE REAL PROPERTY UPON CLOSING THAT WAS DELIVERED TO AND SPREAD UPON THE REAL PROPERTY AT ANY TIME DURING 1995 OR THEREAFTER BY OR FOR THE KERN COUNTY WATER AGENCY OR ITS MEMBER UNITS OR THE MEMBERS OF THE KERN WATER BANK AUTHORITY.

**James W. Fitch, Assessor – Recorder**  
 Kern County Official Records  
 Recorded at the request of  
 Public

RAWSONM  
 3/31/2004  
 10:57 AM

DOC#: **0204070851**



Stat Types: 1 Pages: **50**

Fees	0.00
Taxes	0.00
Others	0.00
<b>PAID</b>	<b>\$0.00</b>

RECORDING REQUESTED BY  
 AND WHEN RECORDED MAIL TO:

Kern Water Bank Authority  
 33141 E. Lerdo Highway  
 Bakersfield, CA 93380  
 Fee Exempt (Govt Code Section 6103)

Space above this line for Recorder's Use

**ASSIGNMENT AND PLEDGE OF WATER AND WATER RIGHTS**

This Assignment and Pledge of Water and Water Rights (“Assignment”) is made as of January 1, 2004, by Dudley Ridge Water District (“Dudley Ridge”), Kern County Water Agency (“KWCA”), Semitropic Water Storage District (“Semitropic”), Tejon-Castac Water District (“Tejon-Castac”), Westside Mutual Water Company, LLC (“Westside”) and Wheeler Ridge-Maricopa Water Storage District (“WheelerRidge-Maricopa”) (each an “Assignor”) in favor of Kern Water Bank Authority (the “Authority”), with reference to the following facts:

RECITALS

A. The Authority was formed on October 16, 1995 pursuant to a Joint Powers Agreement between Dudley Ridge, “KWCA, Semitropic, Tejon-Castac, Westside, and Wheeler Ridge-Maricopa, as amended and restated by a First Amended and Restated Joint Powers Agreement dated July 19, 1999 and further amended by the Second Amendment to Joint Powers Agreement dated March 15, 2001 and the Third Amendment to Joint Powers Agreement dated as of the date hereof (as amended, the “Joint Powers Agreement”). Dudley Ridge, KCWA, Semitropic, Tejon-Castac, Westside and Wheeler Ridge-Maricopa are collectively referred to herein as the “Member Entities.”

B. Pursuant to the Joint Powers Agreement, the Authority manages the Kern Water Bank and owns and maintains the real property described in Exhibit A, attached hereto and incorporated herein by reference (the “Property”), for its benefit and the benefit of the Member Entities. Pursuant to Section 4.5(b) of the Joint Powers Agreement, each of the Member Entities has granted a security interest in all water which such Member Entity may have in storage in the Project (as defined in the Joint Powers Agreement) at any time and from time to time, to the Authority for the benefit of the Authority and all other Member Entities, to secure the obligations under (1) the Joint Powers Agreement, (2) the “Participation Agreement for Pastoria Energy Project” dated March 15, 2001, and (3) the Operating Rules and Regulations (as defined in the Joint Powers Agreement), including payment to the Authority of assessments, including assessments for debt service obligations for Bonds (as defined in the Joint Powers Agreement) as provided in the Joint Powers Agreement (collectively, the “Obligations”). Section 4.5(b) also requires each Member Entity to execute all documents which the Authority and its counsel may deem advisable from time to time to perfect and maintain such lien.

C. The Authority has caused to be issued its Variable Rate Demand Revenue Bonds, Series 2003A and Series 2003B, and in connection therewith has entered into a Reimbursement Agreement dated November 1, 2003 with Wells Fargo Bank, National Association (the “Bank”). The Reimbursement Agreement requires that this Assignment be entered into on or before

February 24, 2004. The Authority and its counsel therefore deem it advisable for each Member Entity to execute this Assignment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and the Authority agree as follows:

1. ASSIGNMENT.

Each Assignor hereby pledges, assigns and grants to the Authority a security interest in all water which such Assignor may have in storage in the Project at any time and from time to time, and in all proceeds thereof, additions and accretions thereto, and substitutions and replacements therefor (the "Assignor's Collateral), to secure the payment and performance of such Assignor's Obligations.

2. DEFAULT.

Should an Assignor default in the performance or payment of any of its Obligations, then, in addition to other remedies which are otherwise available, the Authority may exercise the remedies set forth in Sections 4.5(c) and 4.5(d) of the Joint Powers Agreement with respect to such Assignor.

3. RIGHTS AND DUTIES OF THE PARTIES.

3.1 Representations and Warranties. Each Assignor represents and warrants that such Assignor is the owner of all right, title, and interest in such Assignor's Collateral free and clear of all liens, encumbrances, and security interests, except the security interest created by the Joint Powers Agreement and this Assignment.

3.2 Releases, Extensions, Modifications and Additional Security. Without affecting the liability of any Assignor or any other Member Entity for the payment and performance of such Assignor's Obligations or the lien of this Assignment, the Authority may from time to time without notice:

- (a) release any Member Entity for payment of any Obligation;
- (b) extend the time for payment, or otherwise alter the terms of payment, of any Obligation;
- (c) accept additional real or personal property of any kind as security for any Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security; or
- (d) alter, substitute or release any property securing the Obligations.

3.3 Compensation and Reimbursement of Costs and Expenses. Each Assignor agrees to pay or reimburse the Authority for all costs, expenses and other advances which may be incurred or made by the Authority to protect or preserve such Assignor's Collateral or to enforce any obligations of such Assignor under the terms of this Assignment, including the exercise of any rights or remedies with respect to such Assignor afforded hereunder or under applicable law, whether any lawsuit is filed or not, or in defending any action or proceeding with respect to such Assignor arising under or relating to this Assignment, including attorneys' fees and other legal costs, costs of any sale of the Assignor's Collateral and any cost of evidence of title.

3.4 Exculpation. The Authority shall not be directly or indirectly liable to any Assignor or any other person as a consequence of the Authority's exercise of or failure to exercise any rights, remedies or powers granted to it in this Assignment, or of the Authority's failure or refusal to perform or discharge any obligation or liability of any Assignor under any agreement related to any Assignor's Collateral or under this Assignment. Each Assignor hereby expressly waives and releases all such liability, and agrees that no such liability shall be asserted against or imposed upon the Authority.

3.5 Perfection of Security Interest. The parties intend that the security interests granted under this Assignment and under the Joint Powers Agreement be perfected by the Authority's possession of the Collateral. Each Assignor authorizes the Authority to cause a Financing Statement to be filed in the Office of the California Secretary of State and/or recorded in the Office of the Kern County Recorder, and further authorizes the Authority to cause this Assignment to be recorded in the Office of the Kern County Recorder, if any such filing or recordation is requested by the Bank.

#### 4. MISCELLANEOUS PROVISIONS

4.1 No Waiver or Cure. No waiver shall be implied from any delay or failure by the Authority to take action on account of any default of any Assignor. Consent by the Authority to any act or omission by any Assignor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Authority's consent to be obtained in any future or other instance.

4.2 Severability. If any provision of this Assignment should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and in no way affect the validity of this Assignment.

4.3 Entire Agreement. This Assignment, together with the Joint Powers Agreement, constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the Authority's security interest in each Assignor's Collateral and supersedes all prior and contemporaneous understandings or agreements of the parties with respect thereto.

4.4 Ambiguities. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Assignment.

4.5 No Third Party Beneficiary. This Assignment is made solely for the benefit of the parties to this Assignment and their permitted successors and assigns, and no other person or entity shall have or acquire any right by virtue of this Assignment.

4.6 Notices. Any notice under this Assignment shall be in writing and shall be shall be delivered or addressed to the parties at the addresses set forth below or at the most recent address specified by the addressee through written notice under this provision:

Addresses for Notices to the Authority:

Kern Water Bank Authority  
33141 E. Lerdo Highway  
Bakersfield, CA 93380  
Attention: Ms. Cheryl Harding  
Administrator



Address for Notices to Assignors:

Dudley Ridge Water District  
286 W. Cromwell Ave.  
Fresno, CA 93711-6162

Kern County Water Agency  
P.O. Box 58  
Bakersfield, CA 93302-0058

Semitropic Water Storage District  
1101 Central Avenue  
Wasco, CA 93280-0877

Tejon-Castac Water District  
P.O. Box 1000  
Lebec, CA 93243

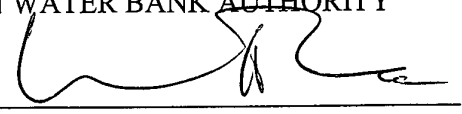
Westside Mutual Water Company, LLC  
33141 East Lerdo  
Bakersfield, CA 93308

Wheeler Ridge-Maricopa Water Storage District  
Post Office Box 9429  
Bakersfield, CA 93389-9429

4.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

“AUTHORITY”

KERN WATER BANK AUTHORITY

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

“ASSIGNORS”

DUDLEY RIDGE WATER DISTRICT

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

KERN COUNTY WATER AGENCY

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

SEMITROPIC WATER STORAGE  
DISTRICT

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

TEJON-CASTAC WATER DISTRICT

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

WESTSIDE MUTUAL WATER  
COMPANY, LLC

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

WHEELER RIDGE-MARICOPA WATER  
STORAGE DISTRICT

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

State of California }

County of KERN }

On FEBRUARY 23, 2004, before me, TERESA MOSLEY, NOTARY PUBLIC personally appeared WILLIAM D. PHILLIMORE, personally known to me (or 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.

WITNESS my hand and official seal.

Signature *Teresa Mosley*



State of California }

County of KERN }

On FEBRUARY 23, 2004, before me, TERESA MOSLEY, NOTARY PUBLIC personally appeared WILLIAM D. PHILLIMORE, personally known to me (or 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.

WITNESS my hand and official seal.

Signature *Teresa Mosley*



State of California }

County of \_\_\_\_\_ }

On \_\_\_\_\_, 2004, before me, \_\_\_\_\_ personally appeared \_\_\_\_\_, personally known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
State of California }

(Seal)

Address for Notices to Assignors:

Dudley Ridge Water District  
286 W. Cromwell Ave.  
Fresno, CA 93711-6162

Kern County Water Agency  
P.O. Box 58  
Bakersfield, CA 93302-0058

Semitropic Water Storage District  
1101 Central Avenue  
Wasco, CA 93280-0877

Tejon-Castac Water District  
P.O. Box 1000  
Lebec, CA 93243

Westside Mutual Water Company, LLC  
33141 East Lerdo  
Bakersfield, CA 93308

Wheeler Ridge-Maricopa Water Storage District  
Post Office Box 9429  
Bakersfield, CA 93389-9429

4.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

“AUTHORITY”

KERN WATER BANK AUTHORITY

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

“ASSIGNORS”

DUDLEY RIDGE WATER DISTRICT

By:   
KERN COUNTY WATER AGENCY

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

State of California

County of TULARE

On MARCH 1, 2004, before me, ~~STEPHEN JACKSON~~ JAN REEVES  
personally appeared ~~STEPHEN JACKSON~~, personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

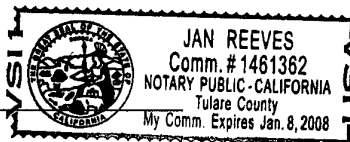
State of California

County of TULARE

On MARCH 1, 2004, before me, JAN REEVES  
personally appeared STEVEN JACKSON, personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature [Signature]



(Seal)

State of California

County of \_\_\_\_\_

On \_\_\_\_\_, 2004, before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_, personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

State of California }

Address for Notices to Assignors:

Dudley Ridge Water District  
286 W. Cromwell Ave.  
Fresno, CA 93711-6162

Kern County Water Agency  
P.O. Box 58  
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Post Office Box 9429  
Bakersfield, CA 93389-9429

4.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

“AUTHORITY”

KERN WATER BANK AUTHORITY

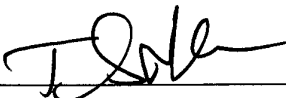
By: \_\_\_\_\_

“ASSIGNORS”

DUDLEY RIDGE WATER DISTRICT

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

KERN COUNTY WATER AGENCY

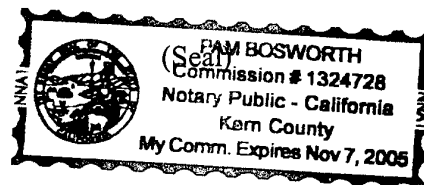
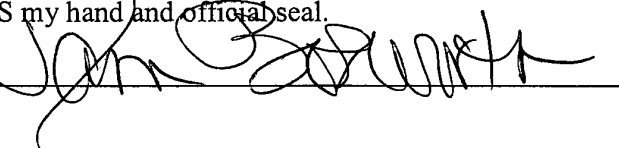
By:  \_\_\_\_\_

State of California }  
County of  Kern  }

On  March 22 , 2004, before me,  Pam Bosworth, Notary Public   
personally appeared  Thomas N. Clark , personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_



State of California }  
County of \_\_\_\_\_ }

On \_\_\_\_\_, 2004, before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_, personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

State of California }  
County of \_\_\_\_\_ }

On \_\_\_\_\_, 2004, before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_, personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

State of California }  
\_\_\_\_\_ }

SEMITROPIC WATER STORAGE  
DISTRICT

By: 

TEJON-CASTAC WATER DISTRICT

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

WESTSIDE MUTUAL WATER  
COMPANY, LLC

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

WHEELER RIDGE-MARICOPA WATER  
STORAGE DISTRICT

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



State of California

County of Kern

On 2/27, 2004, before me, Marsha J. Payne, Notary Public personally appeared Wilmar L. Boschman, personally known to me (or 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.

WITNESS my hand and official seal.

Signature Marsha J. Payne



State of California

County of \_\_\_\_\_

On \_\_\_\_\_, 2004, before me, \_\_\_\_\_ personally appeared \_\_\_\_\_, personally known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

State of California

County of \_\_\_\_\_

On \_\_\_\_\_, 2004, before me, \_\_\_\_\_ personally appeared \_\_\_\_\_, personally known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

State of California }

SEMITROPIC WATER STORAGE  
DISTRICT

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

TEJON-CASTAC WATER DISTRICT

By: 

WESTSIDE MUTUAL WATER  
COMPANY, LLC

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

WHEELER RIDGE-MARICOPA WATER  
STORAGE DISTRICT

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

State of California

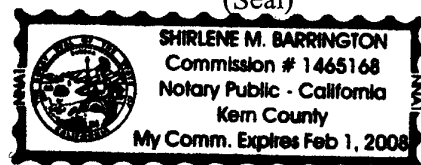
County of Kern

On 3/23/04, 2004, before me, Shirley M Barrington  
personally appeared Dennis Mullins, personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature Shirley M Barrington

(Seal)



State of California

County of \_\_\_\_\_

On \_\_\_\_\_, 2004, before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_, personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

State of California

County of \_\_\_\_\_

On \_\_\_\_\_, 2004, before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_, personally  
known to me (or 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.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

State of California }

SEMITROPIC WATER STORAGE  
DISTRICT

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

TEJON-CASTAC WATER DISTRICT

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

WESTSIDE MUTUAL WATER  
COMPANY, LLC

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

WHEELER RIDGE-MARICOPA WATER  
STORAGE DISTRICT

By: William D. Raabe

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of KERN

} ss.

March 5, 2004

Laurence K. Davis, Notary Public

On \_\_\_\_\_, before me, \_\_\_\_\_, Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared William A. Taube Name(s) of Signer(s)

- personally known to me
- 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.



Place Notary Seal Above

WITNESS my hand and official seal.

*Laurence K. Davis*  
Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

Title or Type of Document: Assignment and Pledge of Water and Water Rights

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

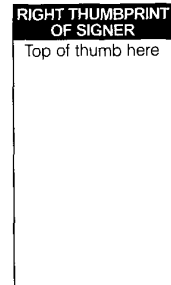


EXHIBIT "A"

Page 1  
Order No. 696028

DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, DESCRIBED IN DEEDS TO THE STATE OF CALIFORNIA, RECORDED AUGUST 31, 1988, BOOK 6158, PAGE 1098 THROUGH 1119; RECORDED MARCH 22, 1990 IN BOOK 6360, PAGES 1923 THROUGH 1925; MARCH 7, 1990 IN BOOK 6354, PAGE 998 THROUGH 1000; AND MARCH 7, 1990 IN BOOK 6354, PAGES 989 THROUGH 991, ALL OF OFFICIAL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID KERN COUNTY, BEING MORE OR LESS DESCRIBED HEREIN AS FOLLOWS, AS TO PARCELS 1 THROUGH 61 INCLUSIVE:

PARCEL 1: (KRGW-1 UNIT A UNIT A1)

SECTION 12, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 2: (KRWG-1 UNIT A UNIT A2)

SECTION 13, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 3: (KRGW-1 UNIT A UNIT A3)

THE NORTHEAST QUARTER; THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

Page 2  
Order No. 696028

DESCRIPTION

EXCEPTING THEREFROM THAT PORTION OF SAID SECTION 24 DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 23, 1933, IN BOOK 458, PAGE 481, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24, AND THENCE SOUTH 51° 52' EAST A DISTANCE OF 2130 FEET; MORE OR LESS, TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 24; THENCE WEST ALONG SAID SOUTH LINE OF A DISTANCE OF 1672.8 FEET TO THE SOUTHWEST CORNER OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24; AND THENCE NORTH ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24 TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 4: (KRGW-A UNIT A UNIT A8)

SECTION 18, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AND AREA OF 650 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 5: (KRGW 1 UNIT A UNIT A9 AND UNIT B UNIT B5)

SECTION 19, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

Page 3  
Order No. 696028

## DESCRIPTION

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT FROM THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, AND THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 6: (KRGW-1 UNIT A UNIT A4)

THAT PORTION OF THE SOUTH HALF OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS OF SAID KERN COUNTY, AND CONTAINING AN AREA OF 319 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH



Page 4  
Order No. 696028

DESCRIPTION

ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 7: (KRGW-1 UNIT A UNIT A4)

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID KERN COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 8: (KRGW-1 UNIT A UNIT A5)

SECTION 7, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 9: (KRGW-A UNIT A UNIT A6)

THAT PORTION OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID KERN COUNTY.

Page 5  
Order No. 696028

## DESCRIPTION

EXCEPT THOSE PORTIONS CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL AND CROSS-VALLEY CANAL PUMPING PLAT NUMBER 1, BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 10: (KRGW-1 UNIT B UNIT B1)

THAT PORTION OF SECTION 9, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT THOSE PORTIONS CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL AND CROSS-VALLEY CANAL PUMPING PLAT NUMBER 1, BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 11: (KRGW-A UNIT A UNIT A7 AND UNIT B UNIT B4)

SECTION 17, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL

Page 6  
Order No. 696028

DESCRIPTION

ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 12: (KRGW-1 UNIT B UNIT B3)

THAT PORTION OF SECTION 16, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 13: (KRGW-1 UNIT B UNIT B2)

THAT PORTION OF SECTION 15, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS, CONTAINING AN AREA OF 154 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST

Page 7  
Order No. 696028

## DESCRIPTION

OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 14: (KRGW-1 UNIT B UNIT B6)

SECTION 20, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT FROM THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 15: (KRGW-1 UNIT B UNIT B7)

Page 8  
Order No. 696028

## DESCRIPTION

THE NORTH HALF OF SECTION 21, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 320 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 16: (KRGW-1 UNIT B UNIT B8)

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 17: (KRGW-1 UNIT B UNIT B9 AND UNIT C UNIT C6)

THAT PORTION OF THE WEST HALF, AND THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO WEST KERN WATER DISTRICT, BY DEED RECORDED AUGUST 22, 1988, BOOK 6155, PAGE 1405, OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS

Page 9  
Order No. 696028

DESCRIPTION

USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 18: (KRGW-1 UNIT C UNIT C3)

THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 160 ACRES, MORE OR LESS.

EXCEPT FROM THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 19: (KRGW-1 UNIT C UNIT C2)

SECTION 27, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 638 ACRES, MORE OR LESS.

EXCEPT FROM THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST

Page 10  
Order No. 696028

## DESCRIPTION

QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTH HALF OF THE SOUTHEAST QUARTER; AND THE SOUTHWEST QUARTER OF SAID SECTION; ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 20: (KRGW-1 UNIT C UNIT C1)

THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE EAST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

Page 11  
Order No. 696028

DESCRIPTION

PARCEL 21: (KRGW-1 UNIT C UNIT C4)

SECTION 34, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 639 ACRES, MORE OR LESS.

EXCEPT FROM THE NORTH HALF; THE NORTH HALF OF THE SOUTH HALF, THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER; THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER; THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER; AND THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 22: (KRGW-1 UNIT C UNIT C5)

SECTION 35, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THAT PORTION DESCRIBED IN DIRECTOR'S DEED, KRGW-1-A, RECORDED MARCH 22, 1990, IN BOOK 6360, PAGE 1927 OF OFFICIAL RECORDS BEING MORE OR LESS RECITED HEREIN AS FOLLOWS:

THAT PORTION OF SECTION 35, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTH OF THE SOUTH RIGHT OF WAY LINE OF STATE HIGHWAY 119, SAID RIGHT OF WAY BEING MORE PARTICULARLY DESCRIBED IN STATE HIGHWAY DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 15, 1937, BOOK 683 PAGE 74, OFFICIAL RECORDS OF SAID KERN COUNTY.



Page 12  
Order No. 696028

## DESCRIPTION

EXCEPTING THEREFROM THE EAST 758.43 FEET OF SAID SECTION 35, AS DESCRIBED IN EASEMENT DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 2, 1964 IN BOOK 3677 PAGE 293, OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT FROM THE WEST HALF; THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; THE WEST HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 23: (KRGW-3 UNIT A UNIT A1 AND UNIT B UNIT B1)

THE SOUTH HALF OF SECTION 3, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OR CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

Page 13  
Order No. 696028

DESCRIPTION

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 24: (KRGW-3 UNIT A UNIT A2 AND UNIT B UNIT B2)

THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 25: (KRGW-3 UNIT A UNIT A2 AND UNIT B UNIT B2)

PARCEL 2, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, AS SHOWN ON AMENDED PARCEL MAP NNO. 1450 FILED FEBRUARY 6, 1974 IN THE OFFICE OF THE COUNTY RECORDER OF KERN COUNTY.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

SAID LAND IS A DIVISION OF A PORTION OF THE EAST HALF OF SECTION 4, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST

Page 14  
Order No. 696028

DESCRIPTION

OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 26: (KRGW-3 UNIT A UNIT A3)

THAT PORTION OF THE SOUTH HALF OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OFFICIAL RECORDS.

EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 5.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 27: (KRGW-3 UNIT A UNIT A4)

THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 28: (KRGW-3 UNIT A UNIT A5)

Page 15  
Order No. 696028

## DESCRIPTION

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 29: (KRGW-3 UNIT A UNIT A6)

THAT PORTION OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 30: (KRGW-3 UNIT A UNIT A7 AND UNIT B AND UNIT B3)

THAT PORTION OF SECTION 9, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

Page 16  
Order No. 696028

## DESCRIPTION

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 31: (KRGW-3 UNIT B UNIT B4)

ALL OF SECTION 10, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 32: (KRGW-3 UNIT B UNIT B5)

ALL OF SECTION 11, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 33: (KRGW-3 UNIT B UNIT B6)

ALL OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN

Page 17  
Order No. 696028

## DESCRIPTION

THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION DESCRIBED AS:

BEGINNING AT THE IRON PIPE WITH A 4 INCH BRASS CAP (STAMPED R. E. 2312, 1937) MARKING THE NORTHWEST CORNER OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, AND RUNNING THENCE SOUTH 89° 39' EAST, ALONG THE NORTHERLY BOUNDARY LINE OF SAID SECTION 14, A DISTANCE OF 415.00 FEET; THENCE ALONG A LINE PARALLEL WITH THE WESTERLY BOUNDARY LINE OF SAID SECTION 14, THE FOLLOWING TWO COURSES AND DISTANCES, NAMELY: SOUTH 0° 17 1/2 WEST, 55.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP.); AND THENCE CONTINUING SOUTH 0° 17 1/2 WEST, 330.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH PIPE BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP. COR.); THENCE ALONG A LINE PARALLEL WITH THE NORTHERLY BOUNDARY LINE OF SAID SECTION 14 THE FOLLOWING TWO COURSES AND DISTANCES, NAMELY; NORTH 89° 39' WEST, 360.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP.); AND THENCE CONTINUING NORTH 89° 39' WEST, 55.00 FEET TO A POINT IN THE WESTERLY BOUNDARY LINE OF SAID SECTION 14; THENCE NORTH 0° 17 1/2 EAST, ALONG THE WESTERLY BOUNDARY LINE OF SAID SECTION 14, A DISTANCE OF 385.00 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 34: (KRGW-3 UNIT B UNIT B7)

THAT PORTION OF SECTION 15, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

Page 18  
Order No. 696028

DESCRIPTION

PARCEL 35: ((KRGW-3 UNIT B UNIT B8)

THAT PORTION OF SECTION 16, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 36: (KRGW-3 UNIT B UNIT B9)

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 37: (KRGW-3 UNIT B UNIT B10)

THAT PORTION OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL THAT PORTION THEREOF LYING SOUTHERLY OF THE NORTHERLY LINE OF PARCEL 2 AS DESCRIBED IN THE DEED TO THE CITY OF BAKERSFIELD, RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OFFICIAL RECORDS, SAID LINE BEING DESCRIBED AS

Page 19  
Order No. 696028

## DESCRIPTION

BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY LINE OF THE STATE HIGHWAY REFERRED TO ABOVE, AT "THE EAST-WEST CENTERLINE OF SAID SECTION 23; THENCE ALONG SAID CENTERLINE SOUTH 88° 41' 55" EAST, 2790.38 FEET; THENCE NORTH 55° 19' 28" EAST, 330.00 FEET; THENCE NORTH 74° 21' 35" EAST, 450.00 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SECTION 23."

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 38: (KRGW-5 UNIT A)

THAT PORTION OF THE SOUTH HALF OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY DESCRIBED THEREIN AS PARCEL 2 CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1964 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS, DESCRIBED THEREIN AS PARCEL 1.

ALSO EXCEPT THAT PORTION CONVEYED TO THE CITY OF BAKERSFIELD, A MUNICIPAL CORPORATION, BY DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 39: (KRGW-7 UNIT A)

THAT PORTION OF THE WEST HALF AND THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY AND SOUTHWESTERLY OF THE SOUTHWESTERLY BOUNDARY OF THAT CERTAIN



Page 20  
Order No. 696028

DESCRIPTION

PARCEL CONVEYED TO THE STATE OF CALIFORNIA FOR THE PURPOSES OF A FREEWAY RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 40: (KRGW-7 UNIT B)

THAT PORTION OF SECTION 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY BOUNDARY OF THAT CERTAIN PARCEL CONVEYED TO THE STATE OF CALIFORNIA FOR THE PURPOSES OF A FREEWAY RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 36.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 41: (KRGW-9 UNIT A)

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA, OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTH-WESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS, AND OTHER HYDROCARBONS, AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS, AND ALL OTHER MINERAL SUBSTANCES

Page 21  
Order No. 696028

DESCRIPTION

AND PRODUCTS, BOTH METALLIC AND NON METALLIC, SOLID, LIQUID, OR GASEOUS) WHICH ARE UPON, IN, UNDER, OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M., T.D.S.) WHICH IS IN, UNDER, OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 42: (KRGW-11 UNIT A UNIT A1)

ALL OF SECTION 28, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER, THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 43: (KRGW-11 UNIT A UNIT A2)

THAT PORTION OF THE NORTH HALF OF SECTION 31, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER AND THE NORTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC

Page 22  
Order No. 696028

DESCRIPTION

RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 44: (KRGW-11 UNIT AUNIT A3)

ALL OF SECTION 32, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE NORTH HALF OF THE NORTHWEST QUARTER, THE NORTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER AND THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 45: (KRGW-11 UNIT A UNIT A4)

ALL OF SECTION 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 46: (KRGW-13 UNIT A)

THAT PORTION OF SECTION 25, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED

Page 23  
Order No. 696028

DESCRIPTION

MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE NORTHEAST QUARTER; THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 47: (KRGW-13 UNIT B)

THAT PORTION OF SECTION 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 48: (KRGW-15 UNIT A UNIT A1)

THAT PORTION OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY ON A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION 24, DISTANT THEREON SOUTH 00° 22' 38" EAST, 1526.351 FEET FROM THE NORTHEAST CORNER THEREOF, WHICH POINT LIES ON THE NORTHERLY BOUNDARY LINE OF THE KERN RIVER CANAL RIGHT OF WAY, AS HEREINAFTER DESCRIBED; THENCE ALONG SAID NORTHERLY BOUNDARY LINE, SOUTH 82° 29' 42" WEST, 1202.846 FEET TO THE WESTERLY TERMINUS OF THE CONCRETE LINED SECTION OF SAID CANAL; THENCE SOUTH 07° 30' 18" EAST, 100.00 FEET; THENCE ALONG THE SOUTHERLY BOUNDARY OF THE EARTHEN SECTION OF SAID CANAL, SOUTH 82° 29' 42" WEST,

Page 24  
Order No. 696028

DESCRIPTION

2181.995 FEET; THENCE, LEAVING SAID BOUNDARY SOUTH 39° 25' 12" WEST, 876.787 FEET; THENCE SOUTH 77° 55' 12" WEST, 1400.00 FEET, MORE OR LESS, TO A POINT ON THE WEST LINE OF SAID SECTION 24, DISTANT THEREON 340.00 FEET SOUTHERLY OF THE WEST ONE-QUARTER CORNER THEREOF.

EXCEPT THAT PORTION OF SAID SECTION GRANTED TO THE STATE OF CALIFORNIA, FOR FREEWAY PURPOSES, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED THEREIN.

ALSO EXCEPT ANY PORTION THEREOF LYING NORTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL.

ALSO EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 24.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 49: (KRGW-15 UNIT A UNIT A3)

ALL THAT PORTION OF SECTION 19, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTH HALF AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 19.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 50: (KRGW-15 UNIT A UNIT A4)

ALL THAT PORTION OF SECTION 20, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO

Page 25  
Order No. 696028

DESCRIPTION

MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT THE SOUTH HALF OF THE SOUTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST OF SAID SECTION 20.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 51: (KRGW 15 UNIT A UNIT A2)

ALL THAT PORTION OF SECTION 17, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN GRANT DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 52: (KRGW-17 UNIT A UNIT A1)

SECTION 13, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 13.

ALSO EXCEPT THE SOUTH 1000 FEET OF THE WEST 1000 FEET OF THE SOUTHWEST QUARTER

Page 26  
Order No. 696028

DESCRIPTION

OF THE NORTHWEST QUARTER OF SAID SECTION 13, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 540 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 53: (KRGW 17 UNIT A UNIT A2)

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, AND THE WEST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 50 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 54: (KRGW-17 UNIT A UNIT A3)

THE NORTH HALF OF SECTION 18, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THEREFROM THE EASTERLY 1700 FEET OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER; THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER; THE EASTERLY 900 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; AND THE EASTERLY 900 FEET OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 18, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 222 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER

Page 27  
Order No. 696028

DESCRIPTION

MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 55: (KRGW-19 UNIT A UNIT A1 AND UNIT B)

THE SOUTH HALF OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 56: (KRGW-19 UNIT A UNIT A2)

SECTION 12, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 561 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.



Page 28  
Order No. 696028

DESCRIPTION

PARCEL 57: (KRGW-19 UNIT A UNIT A3)

THAT PORTION OF SECTION 7, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS GRANTED TO SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF SAID COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 58: (KRGW-30 UNIT A AND UNIT B)

THAT PORTION OF THE SOUTH HALF OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC ASPHALTO BRANCH AS GRANTED TO THE SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 59: (KWB-4-B)

THE SOUTH 1000 FEET OF THE WEST 1000 FEET OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

Page 29  
Order No. 696028

DESCRIPTION

PARCEL 60: (KWB-5-A)

UNIT A

THE NORTH 385 FEET OF THE WEST 415 FEET OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 3.67 ACRES, MORE OR LESS.

UNIT B

THAT PORTION OF THE EAST 5000 FEET OF THE NORTH HALF OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE NORTHERLY LINE OF THE PIONEER CANAL EASEMENT AS DESCRIBED IN PARCEL C, P-O CANAL EASEMENT DEED, RECORDED DECEMBER 6, 1978 IN BOOK 5159 PAGE 2217, OFFICIAL RECORDS OF SAID COUNTY.

UNIT C

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE NORTHERLY LINE OF THE PIONEER CANAL EASEMENT AS DESCRIBED IN PARCEL C, P-O CANAL EASEMENT DEED, RECORDED DECEMBER 6, 1978 IN BOOK 5159 PAGE 2217, OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF SAID NORTHWEST QUARTER LYING NORTHEASTERLY OF THE SOUTHWESTERLY PROPERTY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS GRANTED TO THE SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893, IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF SAID COUNTY.

UNIT D

THE SOUTH 1176.00 FEET OF THE WEST 165.00 FEET OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL 61: (KRGW-29)

UNIT A

THAT PORTION OF THE WEST HALF OF THE WEST HALF OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHWESTERLY PROPERTY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS SAID RAILROAD IS DESCRIBED IN DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF KERN COUNTY.

EXCEPTING THEREFROM THE SOUTHERLY 820 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 8, AS GRANTED TO THE CITY OF BAKERSFIELD, A MUNICIPAL CORPORATION, BY DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OF OFFICIAL RECORDS.

SUBJECT TO ALL EXCEPTIONS, RESERVATIONS, TERMS, CONDITIONS, COVENANTS, AND RESTRICTIONS CONTAINED AND RECITED IN THAT CERTAIN OIL, GAS, AND/OR MINERAL INTEREST ASSIGNMENT AND CONVEYANCE FROM TENNECO WEST, INC., TO TENNECO OIL

Page 30  
Order No. 696028

DESCRIPTION

COMPANY, RECORDED NOVEMBER 18, 1988 IN BOOK 6183 PAGE 1167 OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THOSE PORTIONS OF THE HEREINABOVE DESCRIBED SECTIONS 1, 11, 12, 13, 14, 23, 24, 25, 35 AND 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, INCLUDED WITHIN THE LINES OF THE PARCELS OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED DECEMBER 15, 1934 IN BOOK 547, PAGE 56; RECORDED AUGUST 22, 1935 IN BOOK 596, PAGE 34; RECORDED MAY 20, 1977 IN BOOK 5028, PAGE 2074 AND RECORDED MAY 20, 1977 IN BOOK 5028 PAGE 2077 ALL OF OFFICIAL RECORDS OF KERN COUNTY. (AFFECTS PARCELS 22, 32, 33, 37, 38, 40, 46, 48, 52, 55, 56, AND 59).

ALSO EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THOSE PORTIONS OF THE HEREINABOVE DESCRIBED SECTIONS 34, 35 AND 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, INCLUDED WITHIN THE LINES OF PARCELS OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 15, 1937, IN BOOK 683, PAGE 74, AND RECORDED JANUARY 2, 1964 IN BOOK 3677, PAGE 293 BOTH OF OFFICIAL RECORDS OF KERN COUNTY. (AFFECTS PARCELS 21, 22 AND 40).

ALSO EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THE SOUTH 30 FEET OF THE HEREINABOVE DESCRIBED SECTIONS 32 AND 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF. (AFFECTS PARCELS 44 AND 45).

BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM, ZONE V, 1927.

THE DEPARTMENT OF WATER RESOURCES, STATE OF CALIFORNIA, HEREBY 1) RESERVES TO ITSELF TITLE TO ONE-HALF OF THE LA HACIENDA PROGRAM WATER AND ONE-HALF OF THE BERRENDA MESA DEMONSTRATION PROGRAM WATER; AND 2) GRANTS TO KERN COUNTY WATER AGENCY ONE-HALF OF THE LA HACIENDA PROGRAM WATER, ONE-HALF OF THE BERRENDA MESA DEMONSTRATION PROGRAM WATER, ALL OF THE 1995 WATER, AND ALL OTHER WATER ON, IN OR UNDER THE REAL PROPERTY WHICH HAS NOT BEEN RESERVED TO THE STATE HEREIN. "BERRENDA MESA DEMONSTRATION PROGRAM WATER" SHALL MEAN 2,532 ACRE FEET OF GROUNDWATER THAT MAY BE EXTRACTED BY THE STATE WITHIN THE PROPERTY AS PART OF THE 1990 BERRENDA MESA DEMONSTRATION PROGRAM. "LA HACIENDA PROGRAM WATER" SHALL MEAN THE 83,127 ACRE FEET OF WATER THAT HAS NOT BEEN EXTRACTED BEFORE THE CLOSE OF ESCROW OF THE 98,005 ACRE-FEET OF THE GROUNDWATER PURCHASED BY THE STATE FROM THE KERN COUNTY WATER AGENCY, AND THE KERN COUNTY WATER AGENCY FROM LA HACIENDA, INC., IN 1991. "1995 WATER" SHALL MEAN ALL WATER ON, IN OR UNDER THE REAL PROPERTY UPON CLOSING THAT WAS DELIVERED TO AND SPREAD UPON THE REAL PROPERTY AT ANY TIME DURING 1995 OR THEREAFTER BY OR FOR THE KERN COUNTY WATER AGENCY OR ITS MEMBER UNITS OR THE MEMBERS OF THE KERN WATER BANK AUTHORITY.

PARCEL 62:

THE NORTHWEST QUARTER OF FRACTIONAL SECTION 4, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE UNINCORPORATED AREA, COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

Page 31  
Order No. 696028

## DESCRIPTION

EXCEPTING THEREFROM ALL INTERESTS CONVEYED TO TENNECO OIL COMPANY, A DELAWARE CORPORATION, IN ASSIGNMENT AND CONVEYANCE THEREOF RECORDED NOVEMBER 18, 1988 IN THE OFFICE OF THE KERN COUNTY RECORDER, IN BOOK 6183 PAGE 1167 OF OFFICIAL RECORDS, WHICH INTERESTS CAN BE BRIEFLY SUMMARIZED AS ALL OIL, GAS AND OTHER LIQUID AND GASEOUS HYDROCARBONS, AND IN ADDITION THERETO CARBON DIOXIDE, HYDROGEN, HELIUM, NITROGEN, METHANE, SULFUR (IN EACH CASE IN EITHER LIQUID OR GASEOUS FORM) AND ANY OTHER LIQUID OR GASEOUS SUBSTANCES, INERT OR OTHERWISE, OR ANY OF THEM, AND ANY MINERALS OR OTHER SUBSTANCES PRODUCED IN ASSOCIATION THEREWITH ("HYDROCARBONS") IN, ON OR UNDER THE PREMISES, TOGETHER WITH ALL RIGHTS, PRIVILEGES, DUTIES AND RESPONSIBILITIES IN ANY WAY RELATED THERETO. GRANTEE ACKNOWLEDGES THAT THIS RESERVATION IS FULLY SET FORTH IN THE CONVEYANCE REFERRED TO ABOVE AND THAT IT TAKES TITLE SUBJECT TO THAT CONVEYANCE AND NOT SUBJECT TO THIS SUMMARY WHICH IS FOR CONVENIENCE ONLY. SAID ASSIGNMENT AND CONVEYANCE WAS CLARIFIED BY FIRST AMENDMENT THEREOF RECORDED JANUARY 17, 1989 IN BOOK 6200 PAGE 1908 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER, ALL HEREIN COLLECTIVELY CALLED "MINERALS" NOT CONVEYED TO TENNECO OIL COMPANY WHETHER SUCH MINERALS ARE NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD) WHICH ARE IN, UNDER OR MAY BE PRODUCED FROM THE PREMISES; ALL SALT WATER, BRINES AND GEOTHERMAL RESOURCES, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; THE EXCLUSIVE RIGHT, BY WHATEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE, TO PROSPECT FOR, INVESTIGATE FOR, EXPLORE FOR, DRILL FOR, PRODUCE, EXTRACT, REMOVE AND REDUCE TO POSSESSION AND OWNERSHIP, ALL SUCH MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES, WHICH ARE IN, UNDER OR MAY BE PRODUCED FROM THE PREMISES; THE EXCLUSIVE RIGHT TO DRILL INTO AND THROUGH THE PREMISES TO EXPLORE FOR AND THEREAFTER PRODUCE AND EXTRACT MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES WHICH MAY BE PRODUCED FROM ADJACENT PROPERTY; THE RIGHT TO LAY, CONSTRUCT, ERECT AND PLACE UPON AND IN THE PREMISES, AND USE, MAINTAIN AND OPERATE THEREON AND THEREAFTER REMOVE, ALL MACHINERY, FIXTURES, EQUIPMENT, PIPELINES, TELEPHONE LINES, ELECTRIC POWER LINES, ROADS, AND OTHER STRUCTURES AND FACILITIES AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE, FOR THE EXERCISE AND ENJOYMENT OF THE RIGHTS HEREIN EXCEPTED AND RESERVED; THE EXCLUSIVE RIGHT TO TREAT, PROCESS, (BUT NOT REFINED), STORE UPON AND REMOVE FROM THE PREMISES SUCH MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES; THE EXCLUSIVE RIGHT TO PRODUCE AND EXTRACT SUCH MINERALS BY SUCH METHOD OR METHODS AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE; THE RIGHT TO ALL TIMES, WITHOUT CHARGE, TO INVESTIGATE FOR, EXPLORE FOR, DRILL FOR PRODUCE, REMOVE AND REDUCE TO POSSESSION AND OWNERSHIP, THOSE QUANTITIES OF FRESH WATER FROM AQUIFERS UNDERLYING SAID REAL PROPERTY DEEMED NECESSARY BY GRANTOR OR ITS SUCCESSORS OR ASSIGNS TO USE IN PROSPECTING, EXPLORING, DRILLING, PRODUCING, EXTRACTING AND REMOVING OR OTHER OPERATIONS IN CONNECTION WITH THE FULL ENJOYMENT AND EXERCISE OF THE RIGHTS HEREIN EXCEPTED AND RESERVED AND ANY AND ALL OTHER RIGHTS UPON SAID REAL PROPERTY AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS DEEMS NECESSARY, INCIDENTAL TO, OR CONVENIENT, WHETHER ALONE OR CO-JOINTLY WITH NEIGHBORING LANDS, IN EXPLORING FOR, PRODUCING AND EXTRACTING THE MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES HEREIN EXCEPTED AND RESERVED; AND THE UNLIMITED AND UNRESTRICTED RIGHTS OF ACCESS TO SAID MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES AND OF INGRESS AND EGRESS TO AND FROM, OVER AND ACROSS SAID REAL PROPERTY FOR ALL PURPOSES DEEMED ADVISABLE BY GRANTOR OR ITS SUCCESSORS OR ASSIGNS IN THE EXERCISE OF THE RIGHTS EXCEPTED AND RESERVED HEREIN; PROVIDED, HOWEVER, THAT GRANTOR, OR ITS SUCCESSORS AND ASSIGNS, UPON

Page 32  
Order No. 696028

## DESCRIPTION

BEING PROVIDED PROOF THEREOF, SHALL COMPENSATE GRANTEE OR ITS SUCCESSORS AND (A) FOR ANY AND ALL ACTUAL DAMAGE TO IMPROVEMENTS AND GROWING CROPS UPON SAID REAL PROPERTY WHICH IS CAUSED BY THE EXERCISE OF THE RIGHTS EXCEPTED AND RESERVED HEREIN, AND (B) THE REASONABLE VALUE OF THE LANDS USED FOR ACTUAL DEVELOPMENT AND EXTRACTION OF SUCH MINERAL RIGHTS, AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION IN DEED RECORDED APRIL 30, 1991 IN BOOK 6515 PAGE 1741 OF OFFICIAL RECORDS, DOCUMENT NO. 53096.

## PARCEL 63:

THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM ALL INTERESTS CONVEYED TO TENNECO OIL COMPANY, A DELAWARE CORPORATION, IN ASSIGNMENT AND CONVEYANCE THEREOF RECORDED NOVEMBER 18, 1988 IN THE OFFICE OF THE KERN COUNTY RECORDER, IN BOOK 6183 PAGE 1167 OF OFFICIAL RECORDS, WHICH INTERESTS CAN BE BRIEFLY SUMMARIZED AS ALL OIL, GAS AND OTHER LIQUID AND GASEOUS HYDROCARBONS, AND IN ADDITION THERETO CARBON DIOXIDE, HYDROGEN, HELIUM, NITROGEN, METHANE, SULFUR (IN EACH CASE IN EITHER LIQUID OR GASEOUS FORM) AND ANY OTHER LIQUID OR GASEOUS SUBSTANCES, INERT OR OTHERWISE, OR ANY OF THEM, AND ANY MINERALS OR OTHER SUBSTANCES PRODUCED IN ASSOCIATION THERewith ("HYDROCARBONS") IN, ON OR UNDER THE PREMISES, TOGETHER WITH ALL RIGHTS, PRIVILEGES, DUTIES AND RESPONSIBILITIES IN ANY WAY RELATED THERETO. GRANTEE ACKNOWLEDGES THAT THIS RESERVATION IS FULLY SET FORTH IN THE CONVEYANCE REFERRED TO ABOVE AND THAT IT TAKES TITLE SUBJECT TO THAT CONVEYANCE AND NOT SUBJECT TO THIS SUMMARY WHICH IS FOR CONVENIENCE ONLY. SAID ASSIGNMENT AND CONVEYANCE WAS CLARIFIED BY FIRST AMENDMENT THEREOF RECORDED JANUARY 17, 1989 IN BOOK 6200 PAGE 1908 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER, ALL HEREIN COLLECTIVELY CALLED "MINERALS" NOT CONVEYED TO TENNECO OIL COMPANY WHETHER SUCH MINERALS ARE NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD) WHICH ARE IN, UNDER OR MAY BE PRODUCED FROM THE PREMISES; ALL SALT WATER, BRINES AND GEOTHERMAL RESOURCES, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; THE EXCLUSIVE RIGHT, BY WHATEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE, TO PROSPECT FOR, INVESTIGATE FOR, EXPLORE FOR, DRILL FOR, PRODUCE, EXTRACT, REMOVE AND REDUCE TO POSSESSION AND OWNERSHIP, ALL SUCH MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES, WHICH ARE IN, UNDER OR MAY BE PRODUCED FROM THE PREMISES; THE EXCLUSIVE RIGHT TO DRILL INTO AND THROUGH THE PREMISES TO EXPLORE FOR AND THEREAFTER PRODUCE AND EXTRACT MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES WHICH MAY BE PRODUCED FROM ADJACENT PROPERTY; THE RIGHT TO LAY, CONSTRUCT, ERECT AND PLACE UPON AND IN THE PREMISES, AND USE, MAINTAIN AND OPERATE THEREON AND THEREAFTER REMOVE, ALL MACHINERY, FIXTURES, EQUIPMENT, PIPELINES, TELEPHONE LINES, ELECTRIC POWER LINES, ROADS, AND OTHER STRUCTURES AND FACILITIES AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE, FOR THE EXERCISE AND ENJOYMENT OF THE RIGHTS HEREIN EXCEPTED AND RESERVED; THE EXCLUSIVE RIGHT TO TREAT, PROCESS, (BUT NOT REFINER), STORE UPON AND REMOVE FROM THE PREMISES SUCH MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES; THE EXCLUSIVE RIGHT TO PRODUCE AND EXTRACT SUCH MINERALS BY SUCH METHOD OR METHODS AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE; THE RIGHT TO ALL TIMES, WITHOUT CHARGE, TO INVESTIGATE FOR, EXPLORE FOR, DRILL FOR PRODUCE, REMOVE AND REDUCE TO POSSESSION AND OWNERSHIP, THOSE QUANTITIES OF FRESH WATER

Page 33  
Order No. 696028

## DESCRIPTION

FROM AQUIFERS UNDERLYING SAID REAL PROPERTY DEEMED NECESSARY BY GRANTOR OR ITS SUCCESSORS OR ASSIGNS TO USE IN PROSPECTING, EXPLORING, DRILLING, PRODUCING, EXTRACTING AND REMOVING OR OTHER OPERATIONS IN CONNECTION WITH THE FULL ENJOYMENT AND EXERCISE OF THE RIGHTS HEREIN EXCEPTED AND RESERVED AND ANY AND ALL OTHER RIGHTS UPON SAID REAL PROPERTY AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS DEEMS NECESSARY, INCIDENTAL TO, OR CONVENIENT, WHETHER ALONE OR CO-JOINTLY WITH NEIGHBORING LANDS, IN EXPLORING FOR, PRODUCING AND EXTRACTING THE MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES HEREIN EXCEPTED AND RESERVED; AND THE UNLIMITED AND UNRESTRICTED RIGHTS OF ACCESS TO SAID MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES AND OF INGRESS AND EGRESS TO AND FROM, OVER AND ACROSS SAID REAL PROPERTY FOR ALL PURPOSES DEEMED ADVISABLE BY GRANTOR OR ITS SUCCESSORS OR ASSIGNS IN THE EXERCISE OF THE RIGHTS EXCEPTED AND RESERVED HEREIN; PROVIDED, HOWEVER, THAT GRANTOR, OR ITS SUCCESSORS AND ASSIGNS, UPON BEING PROVIDED PROOF THEREOF, SHALL COMPENSATE GRANTEE OR ITS SUCCESSORS AND (A) FOR ANY AND ALL ACTUAL DAMAGE TO IMPROVEMENTS AND GROWING CROPS UPON SAID REAL PROPERTY WHICH IS CAUSED BY THE EXERCISE OF THE RIGHTS EXCEPTED AND RESERVED HEREIN, AND (B) THE REASONABLE VALUE OF THE LANDS USED FOR ACTUAL DEVELOPMENT AND EXTRACTION OF SUCH MINERAL RIGHTS, AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION IN DEED RECORDED APRIL 30, 1991 IN BOOK 6515 PAGE 1741 OF OFFICIAL RECORDS, DOCUMENT NO. 53096.

## PARCEL 64:

THE NORTHEAST QUARTER OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM ALL INTERESTS CONVEYED TO TENNECO OIL COMPANY, A DELAWARE CORPORATION, IN ASSIGNMENT AND CONVEYANCE THEREOF RECORDED NOVEMBER 18, 1988 IN THE OFFICE OF THE KERN COUNTY RECORDER, IN BOOK 6183 PAGE 1167 OF OFFICIAL RECORDS, WHICH INTERESTS CAN BE BRIEFLY SUMMARIZED AS ALL OIL, GAS AND OTHER LIQUID AND GASEOUS HYDROCARBONS, AND IN ADDITION THERETO CARBON DIOXIDE, HYDROGEN, HELIUM, NITROGEN, METHANE, SULFUR (IN EACH CASE IN EITHER LIQUID OR GASEOUS FORM) AND ANY OTHER LIQUID OR GASEOUS SUBSTANCES, INERT OR OTHERWISE, OR ANY OF THEM, AND ANY MINERALS OR OTHER SUBSTANCES PRODUCED IN ASSOCIATION THEREWITH ("HYDROCARBONS") IN, ON OR UNDER THE PREMISES, TOGETHER WITH ALL RIGHTS, PRIVILEGES, DUTIES AND RESPONSIBILITIES IN ANY WAY RELATED THERETO. GRANTEE ACKNOWLEDGES THAT THIS RESERVATION IS FULLY SET FORTH IN THE CONVEYANCE REFERRED TO ABOVE AND THAT IT TAKES TITLE SUBJECT TO THAT CONVEYANCE AND NOT SUBJECT TO THIS SUMMARY WHICH IS FOR CONVENIENCE ONLY. SAID ASSIGNMENT AND CONVEYANCE WAS CLARIFIED BY FIRST AMENDMENT THEREOF RECORDED JANUARY 17, 1989 IN BOOK 6200 PAGE 1908 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER, ALL HEREIN COLLECTIVELY CALLED "MINERALS" NOT CONVEYED TO TENNECO OIL COMPANY WHETHER SUCH MINERALS ARE NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD) WHICH ARE IN, UNDER OR MAY BE PRODUCED FROM THE PREMISES; ALL SALT WATER, BRINES AND GEOTHERMAL RESOURCES, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; THE EXCLUSIVE RIGHT, BY WHATEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE, TO PROSPECT FOR, INVESTIGATE FOR, EXPLORE FOR, DRILL FOR, PRODUCE, EXTRACT, REMOVE AND REDUCE TO POSSESSION AND OWNERSHIP, ALL SUCH MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES, WHICH ARE IN, UNDER OR MAY BE PRODUCED FROM THE PREMISES; THE EXCLUSIVE RIGHT TO DRILL INTO AND THROUGH THE PREMISES TO EXPLORE

Page 34  
Order No. 696028

DESCRIPTION

FOR AND THEREAFTER PRODUCE AND EXTRACT MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES WHICH MAY BE PRODUCED FROM ADJACENT PROPERTY; THE RIGHT TO LAY, CONSTRUCT, ERECT AND PLACE UPON AND IN THE PREMISES, AND USE, MAINTAIN AND OPERATE THEREON AND THEREAFTER REMOVE, ALL MACHINERY, FIXTURES, EQUIPMENT, PIPELINES, TELEPHONE LINES, ELECTRIC POWER LINES, ROADS, AND OTHER STRUCTURES AND FACILITIES AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE, FOR THE EXERCISE AND ENJOYMENT OF THE RIGHTS HEREIN EXCEPTED AND RESERVED; THE EXCLUSIVE RIGHT TO TREAT, PROCESS, (BUT NOT REFINED), STORE UPON AND REMOVE FROM THE PREMISES SUCH MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES; THE EXCLUSIVE RIGHT TO PRODUCE AND EXTRACT SUCH MINERALS BY SUCH METHOD OR METHODS AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS MAY DEEM ADVISABLE; THE RIGHT TO ALL TIMES, WITHOUT CHARGE, TO INVESTIGATE FOR, EXPLORE FOR, DRILL FOR PRODUCE, REMOVE AND REDUCE TO POSSESSION AND OWNERSHIP, THOSE QUANTITIES OF FRESH WATER FROM AQUIFERS UNDERLYING SAID REAL PROPERTY DEEMED NECESSARY BY GRANTOR OR ITS SUCCESSORS OR ASSIGNS TO USE IN PROSPECTING, EXPLORING, DRILLING, PRODUCING, EXTRACTING AND REMOVING OR OTHER OPERATIONS IN CONNECTION WITH THE FULL ENJOYMENT AND EXERCISE OF THE RIGHTS HEREIN EXCEPTED AND RESERVED AND ANY AND ALL OTHER RIGHTS UPON SAID REAL PROPERTY AS GRANTOR OR ITS SUCCESSORS OR ASSIGNS DEEMS NECESSARY, INCIDENTAL TO, OR CONVENIENT, WHETHER ALONE OR CO-JOINTLY WITH NEIGHBORING LANDS, IN EXPLORING FOR, PRODUCING AND EXTRACTING THE MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES HEREIN EXCEPTED AND RESERVED; AND THE UNLIMITED AND UNRESTRICTED RIGHTS OF ACCESS TO SAID MINERALS, SALT WATER, BRINES AND GEOTHERMAL RESOURCES AND OF INGRESS AND EGRESS TO AND FROM, OVER AND ACROSS SAID REAL PROPERTY FOR ALL PURPOSES DEEMED ADVISABLE BY GRANTOR OR ITS SUCCESSORS OR ASSIGNS IN THE EXERCISE OF THE RIGHTS EXCEPTED AND RESERVED HEREIN; PROVIDED, HOWEVER, THAT GRANTOR, OR ITS SUCCESSORS AND ASSIGNS, UPON BEING PROVIDED PROOF THEREOF, SHALL COMPENSATE GRANTEE OR ITS SUCCESSORS AND (A) FOR ANY AND ALL ACTUAL DAMAGE TO IMPROVEMENTS AND GROWING CROPS UPON SAID REAL PROPERTY WHICH IS CAUSED BY THE EXERCISE OF THE RIGHTS EXCEPTED AND RESERVED HEREIN, AND (B) THE REASONABLE VALUE OF THE LANDS USED FOR ACTUAL DEVELOPMENT AND EXTRACTION OF SUCH MINERAL RIGHTS, AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION IN DEED RECORDED APRIL 30, 1991 IN BOOK 6515 PAGE 1741 OF OFFICIAL RECORDS, DOCUMENT NO. 53096.

19. Exception\_20\_0205103812

62-3111 (REV. 2-93)

RECORDING REQUESTED BY AND RETURN TO:

PACIFIC GAS AND ELECTRIC COMPANY  
Land Department  
1918 "H" Street  
Bakersfield, CA 93301

Location: City/Uninc \_\_\_\_\_  
Recording Fee 113.00  
Document Transfer Tax \$ \_\_\_\_\_

[ ] Computed on Full Value of Property Conveyed, or  
[ ] Computed on Full Value Less Liens & Encumbrances  
Remaining at Time of Sale.

Signature of declarant or agent determining tax \_\_\_\_\_

James W. Fitch, Assessor - Recorder  
Kern County Official Records

JASON  
4/26/2005  
8:01 AM

Recorded at the request of  
Ticor Title

DOC#: 0205103812



Stat Types: 1 Pages: 37

Fees 115.00  
Taxes 0.00  
Others 0.00  
PAID \$115.00

(SPACE ABOVE FOR RECORDER'S USE ONLY)

2230-24-0001

EASEMENT

**KERN WATER BANK AUTHORITY, a political subdivision of the State of California,**

hereinafter called first party, hereby grants to PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called second party, the right from time to time to construct, reconstruct, install, inspect, maintain, replace, remove, and use facilities of the type hereinafter specified, together with a right of way therefore, within a strip or parcel of land or along a route as hereinafter set forth, and also ingress thereto and egress therefrom, over and across the lands situate in the County of Kern, State of California, described as follows:

(APN 159-010-02,03,& 04, 160-010-38,40,41 & 43, 160-020-04,06 & 08, 160-030-03,04,10,12 & 14, 160-040-01,02 & 03, 160-050-01 & 04, 160-060-01,02 & 03, 160-070-02,03,04,06,10,11,14,19,20,22 & 23 160-080-01,02,04,07,09,15,17,18,19,20, & 21, 160-090-01,02 & 03, 160-100-02,04,05,06,07 & 08, 160-110-10 & 13, 160-120-05,12,13,14,17,18,20,22,24, 25 & 40, 160-130-03 & 07, 160-140-03,04,15 & 18, 160-170-03 & 04, 160-180-01,02 & 04, 524-040-02 & 04 524-070-01,02 & 07, 524-080-02 & 08 524-150-01,02,03 & 05, 524-020-05,06,07 & 11, 524-030-01,02,,04,05,0610 & 11)

The parcels of land described in EXHIBIT A attached hereto and made apart hereof.

Said facilities shall consist of:

Such poles, aerial wires, cables, electrical conductors with associated crossarms, braces, transformers, anchors, guy wires and cables; and such underground conduits, pipes, manholes, service boxes, wires, cables, and electrical conductors; aboveground marker posts, risers, and service pedestals; underground and aboveground switches, fuses, terminals, and transformers with associated concrete pads; and fixtures and appurtenances necessary to any and all thereof, as second party deems necessary; all to be located within the strips of land of the uniform width of 20 feet lying 10 feet on each side of the alignment of the facilities as initially installed hereunder and mutually agreed upon. The approximate location of said facilities are shown upon the map marked as Exhibit C attached hereto and made apart hereof.



First party confirms in second party all necessary rights for second party's existing poles, wires, and other appurtenances on said lands.

Second party shall also have the right to trim and clear away or otherwise control any trees or brush along said pole line facilities, as hereinbefore set forth, whenever considered necessary for the complete enjoyment of the rights hereby granted.

First party further grants to second party the right to install, replace, maintain, and use anchors with appurtenant guy wires, which will extend outside of said strips of land at locations second party shall from time to time deem necessary.

First party acknowledges that they have read the attached Grant of Easement Disclosure Statement, which by this reference, is made a part of this Grant of Easement Deed, attached as EXHIBIT B.

First party shall not erect or construct any building or other structure or drill or operate any well within said strips, provided, however, the first party may construct and operate recharge ponds, canals, and pipelines within said strips.

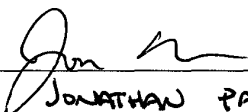
First party further grants to second party the right of ingress to and egress from said strips over and across said lands by means of roads and lanes thereon, if such there be, otherwise by such route or routes as shall occasion the least practicable damage and inconvenience to first party.

The legal description herein, or the map attached hereto, defining the location of this utility distribution easement, was prepared by Pacific Gas and Electric Company pursuant to Section 8730 (c) of the Business and Professions Code.

The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto.

Dated 3-7-05

KERN WATER BANK AUTHORITY,

By:   
\_\_\_\_\_  
JONATHAN PARKER  
GENERAL MANAGER

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

Area 4- Bakersfield LSO  
Operating – Distribution  
Sections 12,13 & 24 T.30S., R.24E., MDB&M  
Sections 1,3,4,5,6,7,8,9,10,11,12,13,14,15, 16,17,18,19,20,21,22,23,24,25,26,28,30,34,35 & 36 T.30S., R.25E.  
Sections 6,7,8,17,18,19,20,28,31,32 & 33 T. 30S., R. 26E., MDB&M  
FERC License # N/A  
PG&E Drawing N/A  
AF/RE N/A  
Type of Interest-03 SBE Parcel # N/A  
% Quitclaimed N/A  
PM # 40324429  
JCN # N/A  
County – Kern  
Utility Notice # N/A

62-4202 Notary (General) Rev. 6/94

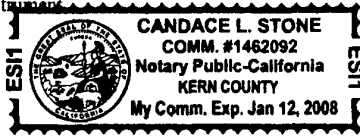
STATE OF CALIFORNIA }  
COUNTY OF Kern } SS.

On 3-7-05 before me, the undersigned, a Notary Public for said State, personally  
appeared Jonathan Parker, General  
Manager

personally known to me -OR-  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.

WITNESS my hand and official seal.

Candace L. Stone  
Signature



**CAPACITY CLAIMED BY SIGNER**

- Individual(s) Signing For Oneself/Themselves
- Corporate Officer(s) of the Above Named Corporation(s)
- Guardian of the Above Named Individual(s)
- Partner(s) of the Above Named Partnership(s)
- Attorney(s)-in-Fact of the Above Named Principal(s)
- Trustee(s) of the Above Named Trust(s)

Other General  
Manager

EXHIBIT A

Page 1  
Order No. 696028

DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, DESCRIBED IN DEEDS TO THE STATE OF CALIFORNIA, RECORDED AUGUST 31, 1988, BOOK 6158, PAGE 1098 THROUGH 1119; RECORDED MARCH 22, 1990 IN BOOK 6360, PAGES 1923 THROUGH 1925; MARCH 7, 1990 IN BOOK 6354, PAGE 998 THROUGH 1000; AND MARCH 7, 1990 IN BOOK 6354, PAGES 989 THROUGH 991, ALL OF OFFICIAL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID KERN COUNTY, BEING MORE OR LESS DESCRIBED HEREIN AS FOLLOWS, AS TO PARCELS 1 THROUGH 61 INCLUSIVE:

PARCEL 1: (KRGW-1 UNIT A UNIT A1)

SECTION 12, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 2: (KRWG-1 UNIT A UNIT A2)

SECTION 13, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 3: (KRGW-1 UNIT A UNIT A3)

THE NORTHEAST QUARTER; THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; AND THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 24 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXHIBIT A

Page 2  
Order No. 696028

DESCRIPTION

EXCEPTING THEREFROM THAT PORTION OF SAID SECTION 24 DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 23, 1933, IN BOOK 458, PAGE 481, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24, AND THENCE SOUTH 51° 52' EAST A DISTANCE OF 2130 FEET; MORE OR LESS, TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 24; THENCE WEST ALONG SAID SOUTH LINE OF A DISTANCE OF 1672.8 FEET TO THE SOUTHWEST CORNER OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24; AND THENCE NORTH ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 24 TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 4: (KRGW-A UNIT A UNIT A8)

SECTION 18, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AND AREA OF 650 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 5: (KRGW 1 UNIT A UNIT A9 AND UNIT B UNIT B5)

SECTION 19, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

## EXHIBIT A

Page 3  
Order No. 696028

## DESCRIPTION

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPT FROM THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, AND THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 6: (KRGW-1 UNIT A UNIT A4)

THAT PORTION OF THE SOUTH HALF OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS OF SAID KERN COUNTY, AND CONTAINING AN AREA OF 319 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH

EXHIBIT A

Page 4  
Order No. 696028

DESCRIPTION

ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 7: (KRGW-1 UNIT A UNIT A4)

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID KERN COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 8: (KRGW-1 UNIT A UNIT A5)

SECTION 7, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 9: (KRGW-A UNIT A UNIT A6)

THAT PORTION OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID KERN COUNTY.

## EXHIBIT A

Page 5  
Order No. 696028

## DESCRIPTION

EXCEPT THOSE PORTIONS CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL AND CROSS-VALLEY CANAL PUMPING PLAT NUMBER 1, BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 10: (KRGW-1 UNIT B UNIT B1)

THAT PORTION OF SECTION 9, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT THOSE PORTIONS CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL AND CROSS-VALLEY CANAL PUMPING PLAT NUMBER 1, BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 11: (KRGW-A UNIT A UNIT A7 AND UNIT B UNIT B4)

SECTION 17, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL



EXHIBIT A

Page 6  
Order No. 696028

DESCRIPTION

ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 12: (KRGW-1 UNIT B UNIT B3)

THAT PORTION OF SECTION 16, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 13: (KRGW-1 UNIT B UNIT B2)

THAT PORTION OF SECTION 15, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS, CONTAINING AN AREA OF 154 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST

EXHIBIT A

Page 7  
Order No. 696028

DESCRIPTION

OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 14: (KRGW-1 UNIT B UNIT B6)

SECTION 20, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT FROM THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 15: (KRGW-1 UNIT B UNIT B7)

EXHIBIT A

Page 8  
Order No. 696028

DESCRIPTION

THE NORTH HALF OF SECTION 21, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 320 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 16: (KRGW-1 UNIT B UNIT B8)

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 17: (KRGW-1 UNIT B UNIT B9 AND UNIT C UNIT C6)

THAT PORTION OF THE WEST HALF, AND THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO WEST KERN WATER DISTRICT, BY DEED RECORDED AUGUST 22, 1988, BOOK 6155, PAGE 1405, OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS

EXHIBIT A

Page 9  
Order No. 696028

DESCRIPTION

USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 18: (KRGW-1 UNIT C UNIT C3)

THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 160 ACRES, MORE OR LESS.

EXCEPT FROM THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 19: (KRGW-1 UNIT C UNIT C2)

SECTION 27, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 638 ACRES, MORE OR LESS.

EXCEPT FROM THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST

## EXHIBIT A

Page 10  
Order No. 696028

## DESCRIPTION

QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTH HALF OF THE SOUTHEAST QUARTER; AND THE SOUTHWEST QUARTER OF SAID SECTION; ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 20: (KRGW-1 UNIT C UNIT C1)

THE NORTHWEST QUARTER OF SECTION 26, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE EAST HALF OF THE EAST HALF OF THE NORTHWEST QUARTER.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

EXHIBIT A

Page 11  
Order No. 696028

DESCRIPTION

PARCEL 21: (KRGW-1 UNIT C UNIT C4)

SECTION 34, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 639 ACRES, MORE OR LESS.

EXCEPT FROM THE NORTH HALF; THE NORTH HALF OF THE SOUTH HALF, THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER; THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 22: (KRGW-1 UNIT C UNIT C5)

SECTION 35, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPTING THEREFROM THAT PORTION DESCRIBED IN DIRECTOR'S DEED, KRGW-1-A, RECORDED MARCH 22, 1990, IN BOOK 6360, PAGE 1927 OF OFFICIAL RECORDS BEING MORE OR LESS RECITED HEREIN AS FOLLOWS:

THAT PORTION OF SECTION 35, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTH OF THE SOUTH RIGHT OF WAY LINE OF STATE HIGHWAY 119, SAID RIGHT OF WAY BEING MORE PARTICULARLY DESCRIBED IN STATE HIGHWAY DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 15, 1937, BOOK 683 PAGE 74, OFFICIAL RECORDS OF SAID KERN COUNTY.

## EXHIBIT A

Page 12  
Order No. 696028

## DESCRIPTION

EXCEPTING THEREFROM THE EAST 758.43 FEET OF SAID SECTION 35, AS DESCRIBED IN EASEMENT DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 2, 1964 IN BOOK 3677 PAGE 293, OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPT FROM THE WEST HALF; THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; THE SOUTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER; THE WEST HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION, ALL OF THE OIL, GAS AND OTHER MINERALS OF WHATSOEVER KIND OR CHARACTER WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED IN THIS MINERAL GRANT DEED SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO ALL HYDROCARBONS AND ALL OTHER MINERALS SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM THE SURFACE THEREOF DOWN TO A DEPTH OF 12,000 FEET BELOW THE SURFACE OF SAID LAND, INCLUDING ALL RIGHTS OF REVERTER; ALL SALT WATER WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID LANDS, THE EXCLUSIVE RIGHT, BY WHATSOEVER METHODS NOW OR HEREAFTER KNOWN, AS GRANTEE DEEMS ADVISABLE, TO PROSPECT FOR, INVESTIGATE, EXPLORE FOR, DRILL FOR, PRODUCE, MINE, EXTRACT, REMOVE AND REDUCE TO GRANTEE'S EXCLUSIVE POSSESSION AND OWNERSHIP, ALL OIL, GAS, SALT WATER AND ALL OTHER MINERALS WHICH ARE UPON, IN, UNDER OR MAY PRODUCED FROM SAID LANDS, AS GRANTED TO TENNECO LT CORPORATION, A DELAWARE CORPORATION, BY DEED RECORDED DECEMBER 10, 1974 IN BOOK 4872 PAGE 170 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 23: (KRGW-3 UNIT A UNIT A1 AND UNIT B UNIT B1)

THE SOUTH HALF OF SECTION 3, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OR CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

EXHIBIT A

Page 13  
Order No. 696028

DESCRIPTION

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 24: (KRGW-3 UNIT A UNIT A2 AND UNIT B UNIT B2)

THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 25: (KRGW-3 UNIT A UNIT A2 AND UNIT B UNIT B2)

PARCEL 2, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, AS SHOWN ON AMENDED PARCEL MAP NNO. 1450 FILED FEBRUARY 6, 1974 IN THE OFFICE OF THE COUNTY RECORDER OF KERN COUNTY.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

SAID LAND IS A DIVISION OF A PORTION OF THE EAST HALF OF SECTION 4, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST



## EXHIBIT A

Page 14  
Order No. 696028

## DESCRIPTION

OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 26: (KRGW-3 UNIT A UNIT A3)

THAT PORTION OF THE SOUTH HALF OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OFFICIAL RECORDS.

EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 5.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 27: (KRGW-3 UNIT A UNIT A4)

THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 28: (KRGW-3 UNIT A UNIT A5)

EXHIBIT A

Page 15  
Order No. 696028

DESCRIPTION

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 29: (KRGW-3 UNIT A UNIT A6)

THAT PORTION OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 30: (KRGW-3 UNIT A UNIT A7 AND UNIT B AND UNIT B3)

THAT PORTION OF SECTION 9, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531, OF OFFICIAL RECORDS.

EXHIBIT A

Page 16  
Order No. 696028

DESCRIPTION

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 31: (KRGW-3 UNIT B UNIT B4)

ALL OF SECTION 10, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 32: (KRGW-3 UNIT B UNIT B5)

ALL OF SECTION 11, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 33: (KRGW-3 UNIT B UNIT B6)

ALL OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN

EXHIBIT A

Page 17  
Order No. 696028

DESCRIPTION

THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION DESCRIBED AS:

BEGINNING AT THE IRON PIPE WITH A 4 INCH BRASS CAP (STAMPED R. E. 2312, 1937) MARKING THE NORTHWEST CORNER OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, AND RUNNING THENCE SOUTH 89° 39' EAST, ALONG THE NORTHERLY BOUNDARY LINE OF SAID SECTION 14, A DISTANCE OF 415.00 FEET; THENCE ALONG A LINE PARALLEL WITH THE WESTERLY BOUNDARY LINE OF SAID SECTION 14, THE FOLLOWING TWO COURSES AND DISTANCES, NAMELY: SOUTH 0° 17 1/2 WEST, 55.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP.); AND THENCE CONTINUING SOUTH 0° 17 1/2 WEST, 330.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH PIPE BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP. COR.); THENCE ALONG A LINE PARALLEL WITH THE NORTHERLY BOUNDARY LINE OF SAID SECTION 14 THE FOLLOWING TWO COURSES AND DISTANCES, NAMELY; NORTH 89° 39' WEST, 360.00 FEET TO A CONCRETE MONUMENT WITH A 3 INCH BRONZE CAP (MARKED PAC. GAS & ELECT. CO. PROP.); AND THENCE CONTINUING NORTH 89° 39' WEST, 55.00 FEET TO A POINT IN THE WESTERLY BOUNDARY LINE OF SAID SECTION 14; THENCE NORTH 0° 17 1/2 EAST, ALONG THE WESTERLY BOUNDARY LINE OF SAID SECTION 14, A DISTANCE OF 385.00 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 34: (KRGW-3 UNIT B UNIT B7)

THAT PORTION OF SECTION 15, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

EXHIBIT A

Page 18  
Order No. 696028

DESCRIPTION

PARCEL 35: ((KRGW-3 UNIT B UNIT B8)

THAT PORTION OF SECTION 16, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 36: (KRGW-3 UNIT B UNIT B9)

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 37: (KRGW-3 UNIT B UNIT B10)

THAT PORTION OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL THAT PORTION THEREOF LYING SOUTHERLY OF THE NORTHERLY LINE OF PARCEL 2 AS DESCRIBED IN THE DEED TO THE CITY OF BAKERSFIELD, RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OFFICIAL RECORDS, SAID LINE BEING DESCRIBED AS

EXHIBIT A

Page 19  
Order No. 696028

DESCRIPTION

BEGINNING AT A POINT ON THE NORTHEASTERLY BOUNDARY LINE OF THE STATE HIGHWAY REFERRED TO ABOVE, AT "THE EAST-WEST CENTERLINE OF SAID SECTION 23; THENCE ALONG SAID CENTERLINE SOUTH 88° 41' 55" EAST, 2790.38 FEET; THENCE NORTH 55° 19' 28" EAST, 330.00 FEET; THENCE NORTH 74° 21' 35" EAST, 450.00 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SECTION 23."

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 38: (KRGW-5 UNIT A)

THAT PORTION OF THE SOUTH HALF OF SECTION 23, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY DESCRIBED THEREIN AS PARCEL 2 CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1964 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS, DESCRIBED THEREIN AS PARCEL 1.

ALSO EXCEPT THAT PORTION CONVEYED TO THE CITY OF BAKERSFIELD, A MUNICIPAL CORPORATION, BY DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 39: (KRGW-7 UNIT A)

THAT PORTION OF THE WEST HALF AND THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY AND SOUTHWESTERLY OF THE SOUTHWESTERLY BOUNDARY OF THAT CERTAIN

EXHIBIT A

Page 20  
Order No. 696028

DESCRIPTION

PARCEL CONVEYED TO THE STATE OF CALIFORNIA FOR THE PURPOSES OF A FREEWAY RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 40: (KRGW-7 UNIT B)

THAT PORTION OF SECTION 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY BOUNDARY OF THAT CERTAIN PARCEL CONVEYED TO THE STATE OF CALIFORNIA FOR THE PURPOSES OF A FREEWAY RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 36.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") WHETHER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO, OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988, IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 41: (KRGW-9 UNIT A)

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 31, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA, OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTH-WESTERLY LINE OF THE STATE HIGHWAY AS GRANTED TO THE STATE OF CALIFORNIA, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS, AND OTHER HYDROCARBONS, AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS, AND ALL OTHER MINERAL SUBSTANCES

EXHIBIT A

Page 21  
Order No. 696028

DESCRIPTION

AND PRODUCTS, BOTH METALLIC AND NON METALLIC, SOLID, LIQUID, OR GASEOUS) WHICH ARE UPON, IN, UNDER, OR MAY BE PRODUCED FROM SAID REAL PROPERTY; ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M., T.D.S.) WHICH IS IN, UNDER, OR MAY BE PRODUCED FROM SAID REAL PROPERTY, TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 42: (KRGW-11 UNIT A UNIT A1)

ALL OF SECTION 28, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER, THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 43: (KRGW-11 UNIT A UNIT A2)

THAT PORTION OF THE NORTH HALF OF SECTION 31, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER AND THE NORTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC



EXHIBIT A

Page 22  
Order No. 696028

DESCRIPTION

RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 44: (KRGW-11 UNIT A UNIT A3)

ALL OF SECTION 32, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE NORTH HALF OF THE NORTHWEST QUARTER, THE NORTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER, THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER AND THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 45: (KRGW-11 UNIT A UNIT A4)

ALL OF SECTION 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 46: (KRGW-13 UNIT A)

THAT PORTION OF SECTION 25, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED

EXHIBIT A

Page 23  
Order No. 696028

DESCRIPTION

MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT THE NORTHEAST QUARTER; THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER; AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 47: (KRGW-13 UNIT B)

THAT PORTION OF SECTION 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING NORTHEASTERLY OF THE NORTHEASTERLY LINE OF THE STATE HIGHWAY CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193, OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 48: (KRGW-15 UNIT A UNIT A1)

THAT PORTION OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY ON A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION 24, DISTANT THEREON SOUTH 00° 22' 38" EAST, 1526.351 FEET FROM THE NORTHEAST CORNER THEREOF, WHICH POINT LIES ON THE NORTHERLY BOUNDARY LINE OF THE KERN RIVER CANAL RIGHT OF WAY, AS HEREINAFTER DESCRIBED; THENCE ALONG SAID NORTHERLY BOUNDARY LINE, SOUTH 82° 29' 42" WEST, 1202.846 FEET TO THE WESTERLY TERMINUS OF THE CONCRETE LINED SECTION OF SAID CANAL; THENCE SOUTH 07° 30' 18" EAST, 100.00 FEET; THENCE ALONG THE SOUTHERLY BOUNDARY OF THE EARTHEN SECTION OF SAID CANAL, SOUTH 82° 29' 42" WEST,

EXHIBIT A

Page 24  
Order No. 696028

DESCRIPTION

2181.995 FEET; THENCE, LEAVING SAID BOUNDARY SOUTH 39° 25' 12" WEST, 876.787 FEET; THENCE SOUTH 77° 55' 12" WEST, 1400.00 FEET, MORE OR LESS, TO A POINT ON THE WEST LINE OF SAID SECTION 24, DISTANT THEREON 340.00 FEET SOUTHERLY OF THE WEST ONE-QUARTER CORNER THEREOF.

EXCEPT THAT PORTION OF SAID SECTION GRANTED TO THE STATE OF CALIFORNIA, FOR FREEWAY PURPOSES, BY DEED RECORDED MARCH 24, 1967 IN BOOK 4037 PAGE 193 OF OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED THEREIN.

ALSO EXCEPT ANY PORTION THEREOF LYING NORTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL.

ALSO EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 24.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 49: (KRGW-15 UNIT A UNIT A3)

ALL THAT PORTION OF SECTION 19, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTH HALF AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 19.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 50: (KRGW-15 UNIT A UNIT A4)

ALL THAT PORTION OF SECTION 20, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO

EXHIBIT A

Page 25  
Order No. 696028

DESCRIPTION

MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT THE SOUTH HALF OF THE SOUTHEAST QUARTER, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER, THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST OF SAID SECTION 20.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 51: (KRGW 15 UNIT A UNIT A2

ALL THAT PORTION OF SECTION 17, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE KERN RIVER CANAL AS SAID CANAL IS DESCRIBED IN GRANT DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 431 OF OFFICIAL RECORDS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 52: (KRGW-17 UNIT A UNIT A1)

SECTION 13, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 13.

ALSO EXCEPT THE SOUTH 1000 FEET OF THE WEST 1000 FEET OF THE SOUTHWEST QUARTER

EXHIBIT A

Page 26  
Order No. 696028

DESCRIPTION

OF THE NORTHWEST QUARTER OF SAID SECTION 13, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 540 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 53: (KRGW 17 UNIT A UNIT A2)

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER, AND THE WEST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 24, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 50 ACRES, MORE OR LESS.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 54: (KRGW-17 UNIT A UNIT A3)

THE NORTH HALF OF SECTION 18, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THEREFROM THE EASTERLY 1700 FEET OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHWEST QUARTER; THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER; THE EASTERLY 900 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER; AND THE EASTERLY 900 FEET OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 18, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 222 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER

EXHIBIT A

Page 27  
Order No. 696028

DESCRIPTION

MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 55: (KRGW-19 UNIT A UNIT A1 AND UNIT B)

THE SOUTH HALF OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 56: (KRGW-19 UNIT A UNIT A2)

SECTION 12, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION, CONTAINING AN AREA, AFTER SAID EXCEPTION, OF 561 ACRES, MORE OR LESS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

## EXHIBIT A

Page 28  
Order No. 696028

## DESCRIPTION

PARCEL 57: (KRGW-19 UNIT A UNIT A3)

THAT PORTION OF SECTION 7, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS GRANTED TO SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF SAID COUNTY.

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 58: (KRGW-30 UNIT A AND UNIT B)

THAT PORTION OF THE SOUTH HALF OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHWESTERLY OF THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC ASPHALTO BRANCH AS GRANTED TO THE SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS.

EXCEPT THAT PORTION CONVEYED TO THE KERN COUNTY WATER AGENCY, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA, FOR THE CROSS-VALLEY CANAL BY FINAL ORDER OF CONDEMNATION, SUPERIOR COURT, KERN COUNTY, CASE NUMBER 126302, A CERTIFIED COPY THEREOF WAS RECORDED DECEMBER 1, 1981 IN BOOK 5421 PAGE 1531 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OIL, GAS AND OTHER HYDROCARBONS AND ALL OTHER MINERALS OF WHATEVER KIND OR CHARACTER (ALL HEREIN COLLECTIVELY CALLED "MINERALS") NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED (IT BEING INTENDED THAT THE WORD "MINERALS" AS USED HEREIN SHALL BE DEFINED IN THE BROADEST SENSE OF THE WORD AND SHALL INCLUDE, BUT NOT BE LIMITED TO OIL, GAS, OTHER HYDROCARBONS AND ALL OTHER MINERAL SUBSTANCES AND PRODUCTS, BOTH METALLIC AND NON-METALLIC, SOLID, LIQUID, OR GASEOUS), WHICH ARE UPON, IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY ALL SALT WATER (WATER CONTAINING OVER 10,000 P.P.M. T.D.S.) WHICH IS IN, UNDER OR MAY BE PRODUCED FROM SAID REAL PROPERTY; TOGETHER WITH THE SPECIFIC RIGHTS ENUMERATED AND MADE A PART OF THEREIN, ALL AS RESERVED BY TENNECO WEST, INC., A DELAWARE CORPORATION, IN DEED RECORDED AUGUST 31, 1988 IN BOOK 6158 PAGE 1098, OF OFFICIAL RECORDS.

PARCEL 59: (KWB-4-B)

THE SOUTH 1000 FEET OF THE WEST 1000 FEET OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 13, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXHIBIT A

Page 29  
Order No. 696028

DESCRIPTION

PARCEL 60: (KWB-5-A)

UNIT A

THE NORTH 385 FEET OF THE WEST 415 FEET OF SECTION 14, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, CONTAINING AN AREA OF 3.67 ACRES, MORE OR LESS.

UNIT B

THAT PORTION OF THE EAST 5000 FEET OF THE NORTH HALF OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE NORTHERLY LINE OF THE PIONEER CANAL EASEMENT AS DESCRIBED IN PARCEL C, P-O CANAL EASEMENT DEED, RECORDED DECEMBER 6, 1978 IN BOOK 5159 PAGE 2217, OFFICIAL RECORDS OF SAID COUNTY.

UNIT C

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE NORTHERLY LINE OF THE PIONEER CANAL EASEMENT AS DESCRIBED IN PARCEL C, P-O CANAL EASEMENT DEED, RECORDED DECEMBER 6, 1978 IN BOOK 5159 PAGE 2217, OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF SAID NORTHWEST QUARTER LYING NORTHEASTERLY OF THE SOUTHWESTERLY PROPERTY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS GRANTED TO THE SOUTHERN PACIFIC RAILROAD COMPANY, A CORPORATION, BY DEED RECORDED OCTOBER 21, 1893, IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF SAID COUNTY.

UNIT D

THE SOUTH 1176.00 FEET OF THE WEST 165.00 FEET OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL 61: (KRGW-29)

UNIT A

THAT PORTION OF THE WEST HALF OF THE WEST HALF OF SECTION 8, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING SOUTHERLY OF THE SOUTHWESTERLY PROPERTY LINE OF THE SOUTHERN PACIFIC RAILROAD ASPHALTO BRANCH, AS SAID RAILROAD IS DESCRIBED IN DEED RECORDED OCTOBER 21, 1893 IN BOOK 47 PAGE 356 OF DEEDS, RECORDS OF KERN COUNTY.

EXCEPTING THEREFROM THE SOUTHERLY 820 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 8, AS GRANTED TO THE CITY OF BAKERSFIELD, A MUNICIPAL CORPORATION, BY DEED RECORDED DECEMBER 30, 1976 IN BOOK 4999 PAGE 436, OF OFFICIAL RECORDS.

SUBJECT TO ALL EXCEPTIONS, RESERVATIONS, TERMS, CONDITIONS, COVENANTS, AND RESTRICTIONS CONTAINED AND RECITED IN THAT CERTAIN OIL, GAS, AND/OR MINERAL INTEREST ASSIGNMENT AND CONVEYANCE FROM TENNECO WEST, INC., TO TENNECO OIL



EXHIBIT A

Page 30  
Order No. 696028

DESCRIPTION

COMPANY, RECORDED NOVEMBER 18, 1988 IN BOOK 6183 PAGE 1167 OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THOSE PORTIONS OF THE HEREINABOVE DESCRIBED SECTIONS 1, 11, 12, 13, 14, 23, 24, 25, 35 AND 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, INCLUDED WITHIN THE LINES OF THE PARCELS OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED DECEMBER 15, 1934 IN BOOK 547, PAGE 56; RECORDED AUGUST 22, 1935 IN BOOK 596, PAGE 34; RECORDED MAY 20, 1977 IN BOOK 5028, PAGE 2074 AND RECORDED MAY 20, 1977 IN BOOK 5028 PAGE 2077 ALL OF OFFICIAL RECORDS OF KERN COUNTY. (AFFECTS PARCELS 22, 32, 33, 37, 38, 40, 46, 48, 52, 55, 56, AND 59).

ALSO EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THOSE PORTIONS OF THE HEREINABOVE DESCRIBED SECTIONS 34, 35 AND 36, TOWNSHIP 30 SOUTH, RANGE 25 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, INCLUDED WITHIN THE LINES OF PARCELS OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED JANUARY 15, 1937, IN BOOK 683, PAGE 74, AND RECORDED JANUARY 2, 1964 IN BOOK 3677, PAGE 293 BOTH OF OFFICIAL RECORDS OF KERN COUNTY. (AFFECTS PARCELS 21, 22 AND 40).

ALSO EXCEPTING AND RESERVING THEREFROM A PERPETUAL EASEMENT AND RIGHT OF WAY TO CONSTRUCT, OPERATE AND MAINTAIN A STATE HIGHWAY OVER, THROUGH AND ACROSS THE SOUTH 30 FEET OF THE HEREINABOVE DESCRIBED SECTIONS 32 AND 33, TOWNSHIP 30 SOUTH, RANGE 26 EAST, MOUNT DIABLO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF. (AFFECTS PARCELS 44 AND 45).

BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM, ZONE V, 1927.

THE DEPARTMENT OF WATER RESOURCES, STATE OF CALIFORNIA, HEREBY 1) RESERVES TO ITSELF TITLE TO ONE-HALF OF THE LA HACIENDA PROGRAM WATER AND ONE-HALF OF THE BERRENDA MESA DEMONSTRATION PROGRAM WATER; AND 2) GRANTS TO KERN COUNTY WATER AGENCY ONE-HALF OF THE LA HACIENDA PROGRAM WATER, ONE-HALF OF THE BERRENDA MESA DEMONSTRATION PROGRAM WATER, ALL OF THE 1995 WATER, AND ALL OTHER WATER ON, IN OR UNDER THE REAL PROPERTY WHICH HAS NOT BEEN RESERVED TO THE STATE HEREIN. "BERRENDA MESA DEMONSTRATION PROGRAM WATER" SHALL MEAN 2,532 ACRE FEET OF GROUNDWATER THAT MAY BE EXTRACTED BY THE STATE WITHIN THE PROPERTY AS PART OF THE 1990 BERRENDA MESA DEMONSTRATION PROGRAM. "LA HACIENDA PROGRAM WATER" SHALL MEAN THE 83,127 ACRE FEET OF WATER THAT HAS NOT BEEN EXTRACTED BEFORE THE CLOSE OF ESCROW OF THE 98,005 ACRE-FEET OF THE GROUNDWATER PURCHASED BY THE STATE FROM THE KERN COUNTY WATER AGENCY, AND THE KERN COUNTY WATER AGENCY FROM LA HACIENDA, INC., IN 1991. "1995 WATER" SHALL MEAN ALL WATER ON, IN OR UNDER THE REAL PROPERTY UPON CLOSING THAT WAS DELIVERED TO AND SPREAD UPON THE REAL PROPERTY AT ANY TIME DURING 1995 OR THEREAFTER BY OR FOR THE KERN COUNTY WATER AGENCY OR ITS MEMBER UNITS OR THE MEMBERS OF THE KERN WATER BANK AUTHORITY.

**Pacific Gas and Electric Company**

**EXHIBIT B**

**GRANT OF EASEMENT DISCLOSURE STATEMENT**

This Disclosure Statement will assist you in understanding your rights as a property owner when granting an easement to PG&E to accommodate your neighbor's new utility service extension. **Please read this disclosure carefully before signing the Grant of Easement.**

- You are under no obligation or threat of condemnation by PG&E to grant this easement.
- The granting of this easement is an accommodation to PG&E's applicant requesting the extension of PG&E utility facilities to the applicant's property or project, pursuant to the Line Extension Rules 15 and 16, as authorized by the California Public Utilities Commission. As this is an accommodation to a single customer or group of customers and not PG&E, the California Public Utilities Commission has not authorized PG&E to purchase such easements.
- By granting this easement to PG&E, the facilities installed within the easement across your property may be used to serve additional customers in the area.
- Removal and/or pruning of trees or other vegetation on your property may be necessary for the installation of PG&E facilities. You have the option of having PG&E or its contractors perform this work on your property, or having the applicant or the applicant's contractor perform this work.
- The description of the location in which the PG&E utility facilities are to be installed upon, in, on, or across your property must be satisfactory to you.
- The California Public Utilities Commission has authorized that the installation of certain utility facilities for utility service may be performed by the applicant. In addition to granting this easement to PG&E, you will need to give your consent to the applicant, or applicant's contractor, working on your property. Upon completion of the applicant's installation, the utility facilities will be inspected by PG&E. When the facility installation is determined to be acceptable the facilities will be conveyed to PG&E.

By signing the Grant of Easement, you are acknowledging that you have read this disclosure and understand that you are granting the easement to PG&E of your own free will. Please return the signed and notarized Grant of Easement and this Disclosure Statement to PG&E. The duplicate copy of the Grant of Easement and this Disclosure Statement is for your records.

**Pacific Gas and Electric Company**

**EXHIBIT B**

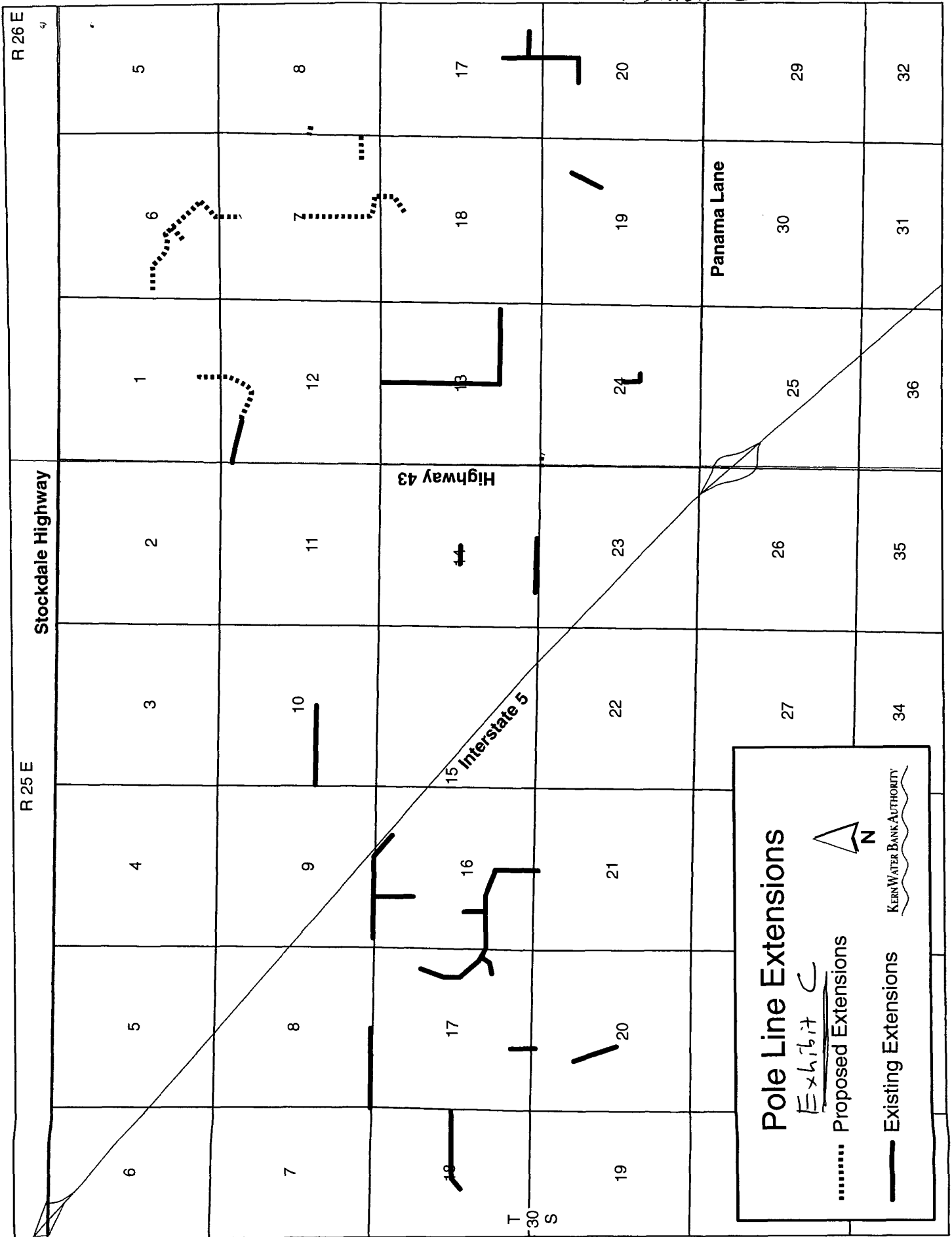
**GRANT OF EASEMENT DISCLOSURE STATEMENT**

This Disclosure Statement will assist you in understanding your rights as a property owner when granting an easement to PG&E to accommodate your neighbor's new utility service extension. **Please read this disclosure carefully before signing the Grant of Easement.**

- You are under no obligation or threat of condemnation by PG&E to grant this easement.
- The granting of this easement is an accommodation to PG&E's applicant requesting the extension of PG&E utility facilities to the applicant's property or project, pursuant to the Line Extension Rules 15 and 16, as authorized by the California Public Utilities Commission. As this is an accommodation to a single customer or group of customers and not PG&E, the California Public Utilities Commission has not authorized PG&E to purchase such easements.
- By granting this easement to PG&E, the facilities installed within the easement across your property may be used to serve additional customers in the area.
- Removal and/or pruning of trees or other vegetation on your property may be necessary for the installation of PG&E facilities. You have the option of having PG&E or its contractors perform this work on your property, or having the applicant or the applicant's contractor perform this work.
- The description of the location in which the PG&E utility facilities are to be installed upon, in, on, or across your property must be satisfactory to you.
- The California Public Utilities Commission has authorized that the installation of certain utility facilities for utility service may be performed by the applicant. In addition to granting this easement to PG&E, you will need to give your consent to the applicant, or applicant's contractor, working on your property. Upon completion of the applicant's installation, the utility facilities will be inspected by PG&E. When the facility installation is determined to be acceptable the facilities will be conveyed to PG&E.

By signing the Grant of Easement, you are acknowledging that you have read this disclosure and understand that you are granting the easement to PG&E of your own free will. Please return the signed and notarized Grant of Easement and this Disclosure Statement to PG&E. The duplicate copy of the Grant of Easement and this Disclosure Statement is for your records.

Exhibit C



WILL CALL

James W. Fitch, Assessor - Recorder  
Kern County Official Records

RAWSONM  
10/11/2006  
1:47 PM

Recording Requested By and  
When Recorded Mail To:

Recorded at the request of  
Public

Vintage Production California LLC  
P. O. Box 1001  
28590 Highway 119  
Tupman, CA 93276  
Attn.: Land Department

DOC#: 0206252506

Stat Types: 1 Pages: 3



Fees	13.00
Taxes	0.00
Others	3.00
PAID	\$16.00

THE UNDERSIGNED LESSEE DECLARES  
DOCUMENTARY TRANSFER TAX IS \$ None

APN: 524-110-01; 524-120-03, 04, & 05; 524-150-01, 02, 03, 04, 05, 06 & 07; 524-160-01

- computed on the full value of the interest or property conveyed, or is
- computed on the full value less the value of liens or

**OIL, GAS, & MINERAL LEASE**  
**Canfield Ranch**  
**(Short Form)**  
**(No Warranty of Title)**

THIS AGREEMENT, made and entered into October 10, 2006 by and between **Vintage Production California LLC**, hereinafter called "Lessor" (whether one or more) and **Compass Global Resources**, hereinafter called "Lessee,"

**WITNESSETH:**

Lessor hereby grants and leases to Lessee and Lessee hereby leases from Lessor the land hereinafter described, for the purposes and with the exclusive right of prospecting, exploring, mining, drilling and operating said land for oil, gas, other hydrocarbons, associated substances, sulfur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be produced through wells on said land, whether or not similar to the above-mentioned substances. The land hereby leased is situated in the County of Kern, State of California, and is more fully described in Exhibit "A" attached hereto and made a part hereof:

This lease is made for the term and upon and subject to each and all the terms, provisions, covenants and conditions set forth in the certain Oil, Gas and Mineral Lease (Long Form) hereinafter ("Lease") of even date herewith between the parties hereto covering the land hereinabove described, and said Oil, Gas and Mineral Lease is hereby incorporated herein with the same force and effect as though herein set forth at length.

Among the other terms contained in said Lease is a requirement for Lessor's prior written consent to any assignment by Lessor, whether in whole or in part, a restriction against mortgaging or otherwise pledging this lease to secure indebtedness, the right to Lessor's share of production in kind, and a preferential right to purchase Lessee's share of production derived from or attributable to the Leased Lands.

This lease may be executed in any number of counterparts and all such counterparts shall be deemed to constitute a single lease and the execution of one counterpart by any Lessor shall have the same force and effect as if he had signed all the other counterparts.


IN WITNESS WHEREOF, said parties have caused this lease to be duly executed as of the date first hereinabove written.

LESSOR

LESSEE

Vintage Production California LLC

Compass Global Resources

By:   
Russell P. Ledbetter, Attorney-in-Fact

By:   
R. T. Budden, President

Exhibit "A" – Attached to and a Part of that certain Oil, Gas and Mineral Lease dated October 10, 2006 by and between Vintage Production California LLC, as Lessor and Compass Global Resources, as Lessee.

Township 30 South, Range 26 East, MDB&M

Section 26:	S/2SW/4+	80 acres
Section 27:	SE/4NW/4	40 acres
	SW/4NE/4	40 acres
	S/2	320 acres
Section 33:	NE/4	160 acres
	N/2SE/4	80 acres
	NE/4SW/4	40 acres
	SE/4NW/4	40 acres
Section 34:	N/2SW/4	80 acres
	N/2	320 acres
Section 35:	NW/4	160 acres

**SAVE and EXCEPT five (5) acres in the form of a square centered on and surrounding each existing well, whether active or inactive, which wells are located within the exterior boundaries of the Leased Lands, and SAVE and EXCEPT that 80 acre parcel located in Sections 33 and 34 and described as "Retained Lands" in that certain "Partial Surrender and Quitclaim of Oil, Gas and Mineral Lease", dated December 28, 1998 executed by Sacramento Energy, Inc. and recorded at Document # 0198185643 in the Official Records of Kern County, California, said 80 acre tract being the well tract for the Sacramento Energy Inc. 1-34 well, API No. 0403009108.**

All acreage numbers cited being estimates for the purpose of calculating rentals and minimum royalties and the actual acreage may be more or less than cited. There shall be no retroactive adjustment for any rental or minimum royalty paid in reliance up these estimates. Adjustment for actual acreages as the same maybe discovered shall be prospective only and apply only to sums not then due.

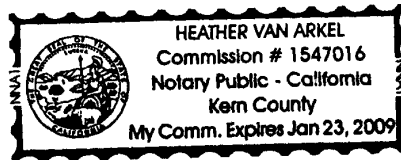
OIL, GAS, & MINERAL LEASE  
(Short Form)

STATE OF CALIFORNIA )  
COUNTY OF Kern ) ss.

On October 10, 2006, before me, Heather Van Arkel, Notary Public, personally appeared R.T. Budden, personally known to me (or 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.

WITNESS my hand and official seal.

Heather Van Arkel  
Notary Public



STATE OF CALIFORNIA )  
COUNTY OF KERN ) ss.

On October 10, 2006, before me, \_\_\_\_\_ Heather Van Arkel \_\_\_\_\_, Notary Public, personally appeared Russell P. Ledbetter, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Heather Van Arkel  
Notary Public



21. Exception\_22\_0206286186

James W. Fitch, Assessor - Recorder  
Kern County Official Records  
Recorded at the request of  
Public

RAWSONM  
11/17/2006  
1:57 PM

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Vintage Production California LLC  
Attn: Teri Altenburger - Land Dept.  
P.O. Box 1002  
Tupman, CA 93276

DOC#: 0206286186



Stat Types: 1 Pages: 5

Fees	19.00
Taxes	0.00
Others	0.00
PAID	<u>\$19.00</u>

**NOTICE OF INTENT TO PRESERVE MINERAL RIGHTS**

THIS NOTICE OF INTENT TO PRESERVE MINERAL RIGHTS (this "Notice") is intended to preserve mineral rights from termination as dormant pursuant to Chapter 3 (commencing with Section 883.110) of Title 5 (commencing with Section 880.020) of Part 2 of Division 2 of the California Civil Code (Marketable Record Title).

Claimant: Vintage Production California LLC, a Delaware Limited Liability Company, successor in interest to OXY Resources California LLC, by Certificate of Amendment to Certificate of Formation executed on January 30, 2006 and recorded in the Official Records of Kern County on March 3, 2006 at Document number 0206052709.

Mailing Address: Vintage Production California LLC  
Attention: Legal Department  
P.O. Box 1001  
Tupman, California 93276-1001

Interest: All of Claimant's rights in the oil, gas hydrocarbon substances and minerals of every kind owned by Claimant in, under or that may be produced from the real property located in the County of Kern, State of California, described on Exhibit A attached hereto and incorporated herein.

The undersigned, authorized signatory for Claimant, asserts under penalty of perjury that this Notice is not recorded for the purpose of slandering title to real property and is informed and believes that the information contained in this Notice is true. The undersigned, authorized signatory for Claimant, further asserts under penalty of perjury that he is authorized to act on behalf of Claimant.

Dated: November 14, 2006

DOCUMENTARY TRANSFER TAX \$None  
 Computed on full value of property conveyed  
 or computed on full value less liens and encumbrances remaining at time of sale

By:

Vintage Production California LLC

By:   
Russell P. Ledbetter

Its: Attorney - in - Fact





EXHIBIT A

ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN NOTICE OF INTENT TO PRESERVE MINERAL RIGHTS  
DATED November 14, 2006 BY VINTAGE PRODUCTION CALIFORNIA LLC, MINERAL OWNER

T30S-R26E

SEC 18: N2NW, NENE, NWNE, S2, S2NE, SENW, SWNW  
APN: 524-070-01, 02, 03

SEC 19: N/2, N/2SE, E/2NWSW, NESW ALL DEPTHS; W/2NWSW, S/2S/2 BELOW 9500' ONLY  
APN: 524-080-01, ptrn 02, ptrn 03, 04, 05

SEC 20: N/2, N/2N/2S/2, SWNWSE, S/2NESW, S/2NWSW, NWSWSW ALL DEPTHS; S/2NESE, SENWSE, S/2SE, SESW,  
E/2SWSW, SWSWSW SURF TO 7500' AND BELOW 8500'  
APN: 524-080-06, 07, 08, 09

SEC 28: NE, N/2SE, N/2S/2SE, S/2S/2SW, NENESW, ALL DEPTHS; NW, W/2NWSW, NWNESW, NENWSW SURF TO 7500'  
AND BELOW 8500'; S/2NESW, SENWSW, N/2S/2SW BELOW 9500' ONLY  
APN: 524-120-01, ptrn 02

SEC 29: N2N2N2, S2NENE, SESWNE, SENE, E2SE AND E2W2SE  
FROM THE SURFACE TO 7500 FEET AND BELOW 8500 FEET, LESS  
AND EXCEPT A 40 ACRE PARCEL DESCRIBED AS FOLLOWS:  
COMMENCING AT THE NORTHEAST CORNER OF SECTION 29, SOUTH  
00 DEG 22 MINUTES 21 SECONDS WEST 2378 FEET ALONG THE  
EASTERLY BOUNDARY OF SECTION 29 TO POINT OF BEGINNING,  
THENCE CONTINUING ALONG SAID SECTION LINE SOUTH 00 DEG  
22 MINUTES 21 SECONDS WEST 1320 FEET, THENCE SOUTH 89  
DEG 56 MINUTES 06 SECONDS WEST 1320 FEET, THENCE NORTH  
00 DEG 22 MINUTES 21 SECONDS EAST 1320 FEET, AND THENCE  
NORTH 89 DEG 56 MINUTES 06 SECONDS EAST 1320 FEET TO  
POINT OF BEGINNING. A 40 ACRE PARCEL IN SECTION 29

EXHIBIT A (continued)

ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN NOTICE OF INTENT TO PRESERVE MINERAL RIGHTS  
DATED November 14, 2006 BY VINTAGE PRODUCTION CALIFORNIA LLC, MINERAL OWNER

T30S-R26E

SEC 29: (continued)

BELOW 9500 FEET ONLY DESCRIBED AS FOLLOWS: COMMENCING  
AT THE NE CORNER OF SEC 29, SOUTH 00 DEG 22 MINUTES 21  
SECONDS WEST 2378 FEET ALONG THE EASTERLY BOUNDARY OF  
SECTION 29 TO THE POINT OF BEGINNING, THENCE CONTINUING  
ALONG SAID SECTION LINE SOUTH 00 DEG 22 MINUTES 21  
SECONDS WEST 1320 FEET, THENCE SOUTH 89 DEGREES 56  
MINUTES 06 SECONDS WEST 1320 FEET, THENCE NORTH 00 DEG  
22 MINUTES 21 SECONDS EAST 1320 FEET, AND THENCE NORTH  
89 DEG 56 MINUTES 06 SECONDS EAST 1320 FEET TO THE POINT  
OF BEGINNING. S2NWNE, S2N2NW, S2NW, N2SWNE, SWSWNE, SW  
AND THE W2W2SE FROM THE SURFACE TO 1000 FEET AND BELOW  
8500 FEET.  
APN: 524-130-05, 06

SEC 30: N/2 BELOW 9500' ONLY; SE, NESW, N/2SESW, SESESW SURF TO 1000' AND BELOW 8500'; W/2SW, SWSESW  
SURF TO 7500; AND BELOW 8500'  
APN: 524-130-01, 02, 03, 04

SEC 31: S/2, S/2S/2N/2, N/2SWNW, NWSWNE, W/2NWNW, SENWNW ALL DEPTHS NENWNW, NENW, NESENW,  
NWNE, W/2NENE; SENENE, N/2S/2NE, SURF TO 7500' AND BELOW 8500' NENENE SURF TO 1000' AND BELOW 8500'  
APN: 524-140-01, 02, 06, 07, 08, 09, 10, 11, 12, 15, 16, 18, 19

SEC 32: S/2, S/2S/2N/2, N/2S/2NE, S/2NENE, NENENE, SENWNE ALL DEPTHS; S/2N/2NW, N/2S/2NW, SWNWNE,  
N/2NNWNE, NWNENE SURF TO 7500' AND BELOW 8500' N/2N/2NW SURF TO 1000' AND BELOW 8500'  
APN: 524-140-03, 04

SEC 33: ALL, LESS AND EXCEPT NE NE, S/2 S/2 NW NE, N/2 N/2 SW NE, N/2 NW SE NE  
APN: 524-150-01, pm 02, 05

EXHIBIT A (continued)

ATTACHED HERETO AND MADE A PART HEREOF THAT CERTAIN NOTICE OF INTENT TO PRESERVE MINERAL RIGHTS  
DATED November 14, 2006 BY VINTAGE PRODUCTION CALIFORNIA LLC, MINERAL OWNER

T30S-R26E

SEC 36: ALL  
APN: 524-160-06, 08, 09

END OF EXHIBIT A