

Recorded at the request of:
Contra Costa County Flood Control
And Water Conservation District

After recording return to:
Kristin Finefrock
Phillips 66 Pipeline LLC
18781 El Camino Real
Atascadero, CA 93422

Ptn. Of Assessor's Parcel No.: 125-020-XXX
State Parcel # 63155-6

GRANT OF EASEMENT

For good and valuable consideration, including but not limited to the agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a flood control district, organized under the laws of the State of California, (hereinafter "DISTRICT"), hereby grants to Phillips 66 Pipeline LLC, a Delaware Limited Liability Company (hereinafter "GRANTEE"), a nonexclusive right to a perpetual easement and right of way (hereinafter "Easement Area") for constructing, repairing, maintaining, operating, using and abandoning in place a 16-inch steel pipeline that will transport crude oil, and appurtenances thereto, and for no other purposes whatsoever, along and in all of the hereinafter described parcel of land situated in the County of Contra Costa, State of California, described as follows:

FOR DESCRIPTION AND PLAT MAP, SEE ATTACHED EXHIBITS "A' AND "B"

The foregoing grant is made subject to the following terms and conditions:

1. **PRIMARY USE OF THE PROPERTY** The primary use of the property subject to this easement (hereinafter the "Property") is for flood control conveyance of storm water and flood protection purposes, including, but not limited to, the right of channeling, impounding and otherwise controlling the flow of drainage waters, as well as performing any other activities, and construction or maintaining any facilities that the District may be required to perform, construction or maintain by other agencies at Federal, State, Regional or Local level, including but not limited to, water quality and quantity control activities (such activities and those ancillary there to being hereinafter referred to as "Flood Control").

GRANTEE acknowledges and agrees that the use just described constitutes the primary use of the Property and that any and all rights granted or implied by this Grant of Easement are secondary and subordinate to the primary use of the Property by the DISTRICT, its successors and assigns. GRANTEE shall not, at any time, use or permit the public to use the Easement Area in any manner that will interfere with or impair the DISTRICT's primary use of the Property. GRANTEE shall not fence said Easement Area without the prior written approval of the DISTRICT, and shall remove any fencing when requested by DISTRICT to do so. GRANTEE shall not otherwise obstruct the Easement Area.

2. **U. S. ARMY CORPS OF ENGINEER'S PROJECT:** The Property is part of the U. S. Army Corps of Engineers, Walnut Creek Project, Contra Costa County, California. The

project provides flood protection to the surrounding communities. Approval by the Flood Protection and Navigation Section of the Sacramento District, U.S. Army Corps of Engineers are required under 33 USC (United States Code) 408 (Section 408).

3. **DISTRICT TITLE:** GRANTEE hereby acknowledges DISTRICT's title to the Property and agrees never to assail or resist said title.

4. **CONSTRUCTION AND MAINTENANCE ACTIVITIES:**

(a) GRANTEE shall, prior to any construction, reconstruction, remodeling, excavation, installation or plantings within the Easement Area, submit specific plans and specifications to the DISTRICT for review and approval. Such approval, together with any additional requirements, to be in the form of a written permit issued by DISTRICT to GRANTEE.

(b) Normal maintenance by GRANTEE of its facilities within the Easement Area, including inspection and cleaning of existing pipelines, shall not require prior notice to the DISTRICT. GRANTEE shall perform maintenance of its facilities so as to prevent damage to the site.

(c) GRANTEE shall disclose to the DISTRICT the volume, pressure and type of substances being transported by the pipeline; the size, date of construction and material specifications of the pipeline; maximum pipeline pressure ratings; the date of the most recent inspection required by law; a copy of the most recent certifications from all applicable regulatory agencies; a detailed description of materials transported, maximum daily volumes, and certifications from all agencies responsible for permitting and operation of the pipeline facilities, as applicable; and any other information as may be requested by the DISTRICT and Army Corps of Engineers.

(d) GRANTEE is responsible, at its expense, for all repair and maintenance directly caused by GRANTEE's use of the Easement Area. Except in the case of an emergency, the GRANTEE shall not make alterations to the Easement Area, without the prior written consent of DISTRICT's Chief Engineer, or his or her designee which shall be in the form of an Encroachment Permit for Use of DISTRICT's Right of Way ("Encroachment Permit"). The GRANTEE shall make every effort to report emergency work in the Easement Area to the DISTRICT within one (1) business- day after commencing such activities.

(e) GRANTEE shall test all pipelines as required by the State Fire Marshal or other state or federal agency with jurisdiction over the pipeline or by any applicable law, and must make available for inspection by the DISTRICT the results of all pipeline inspections and pipeline tests that are required by the State Fire Marshal and by all applicable laws within sixty (60) days of the GRANTEE'S receipt of those results.

(f) GRANTEE shall file, and thereafter annually keep on file, with the DISTRICT, a pipeline emergency plan as may be required by 49 CFR(Code of Federal Regulations) section 195.402, 49 C.F.R. section 192.615, the California Pipeline Safety Act of 1981 (Government Code sections 51010 et seq.), and all other applicable laws. GRANTEE shall update its pipeline emergency plan whenever it acquires, constructs, lays, removes or abandons any facilities in the Easement Area, and shall file the plan with the DISTRICT within thirty (30) days after any update.

5. **DAMAGE TO DISTRICT PROPERTY:** Any and all DISTRICT Property, facilities, landscaping or other improvements removed or damaged to the extent caused by the use of the Easement Area by GRANTEE or any other person or entity acting under GRANTEE's direction or control, shall, at DISTRICT's discretion and direction, be repaired or replaced by DISTRICT, with all reasonable costs and expenses to be paid by GRANTEE (including, but not limited to, reasonable engineering costs and legal costs of collecting any unpaid expenses) or shall be repaired or replaced by GRANTEE, at the sole cost and expense of GRANTEE, equivalent to or better than their existing condition. In the event that GRANTEE fails to commence the required work within ninety days after being directed to do so by DISTRICT, or such reasonable extension as DISTRICT may agree to in writing, or fails to complete the required work within a reasonable time thereafter, DISTRICT may perform or complete the work at the reasonable expense of GRANTEE, which expense GRANTEE agrees to pay to DISTRICT promptly upon demand, including but not limited to reasonable engineering costs and any legal expenses incurred to collect such costs.
6. **NON-EXCLUSIVE EASEMENT:** The easement granted hereunder is non-exclusive. This easement is subject and subordinate to all existing rights, rights of way, licenses, reservations, franchises and easements of record, or that would be evident from a physical inspection or accurate survey of the Property, in and to the Property. Nothing contained herein shall be construed to prevent DISTRICT from granting other easements, franchises, licenses or rights of way over said lands; provided, however, that said subsequent uses do not unreasonably prevent or obstruct GRANTEE's easement rights hereunder or cause damage to Grantee's facilities or improvements.
7. **NO WARRANTIES:** GRANTEE understands and acknowledges that DISTRICT makes no representations, warranties or guarantees of any kind or character, express or implied, with respect to the Property, and GRANTEE is entering into this transaction without relying in any manner on any such representation or warranty by DISTRICT.
8. **ABANDONMENT:** In the event GRANTEE shall cease to use the easement herein continuously for a period of one year (unless prevented from doing so by force majeure, in which event said one year period shall be extended by the period of time GRANTEE is actually so prevented), or in the event GRANTEE abandons its facilities or fails to use the easement for the purpose for which it is granted, then all rights of GRANTEE in and to said lands shall thereupon cease and terminate and shall immediately revert to and vest in DISTRICT or its successors. GRANTEE shall execute any Quitclaim Deeds required by DISTRICT to relinquish GRANTEE'S interest in the Easement Area following abandonment.
9. **NO ASSIGNMENT OF EASEMENT:** Except as otherwise specified herein, no rights granted hereunder shall be transferred, apportioned, or assigned without the prior written consent of the DISTRICT, which consent shall not be unreasonably withheld, delayed or conditioned. The rights granted herein may be assigned by the GRANTEE without the prior written consent of the DISTRICT only for the purposes of effectuating a corporate transfer, including without limitation, an assignment to any corporation, partnership, or joint venture affiliated by common management or ownership with GRANTEE. In the event of any assignment by the GRANTEE, whether for corporate transfer or otherwise, the GRANTEE shall not be released from any of its obligations

or liabilities hereunder as a result of any assignment until such assignee(s) has assumed and agreed to carry out any and all such covenants, agreements, and obligations.

10. **NO SECONDARY RIGHTS:** Nothing herein contained shall be deemed to construe that access or other secondary rights are conveyed by this document over any of DISTRICT's adjacent lands lying outside of the aforesaid strip of land above described.
11. **ENTIRE AGREEMENT:** This Grant of Easement contains the entire agreement between the parties hereto and shall not be modified in any manner except by an instrument in writing executed by the parties or their respective successors in interest.
12. **CONSTRUCTION:** This Grant of Easement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. The parties to this Grant of Easement and their counsel have read and reviewed this Grant of Easement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Grant of Easement.
13. **SUCCESSORS AND ASSIGNS:** This indenture and all of the covenants herein contained shall inure to the benefit of and be binding upon the heirs, successors and assigns of the respective parties hereto.
14. **NO THIRD-PARTY BENEFICIARIES:** Nothing in this Grant of Easement confers any rights on any persons or entities other than the parties hereto.
15. **GOVERNING LAW:** This Grant of Easement shall be construed in accordance with the laws of the State of California.

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IN WITNESS WHEREOF, this Grant of Easement is signed and executed this _____day of _____ 20__.

CONTRA COSTA COUNTY FLOOD
CONTROL & WATER CONSERVATION
DISTRICT

GRANTEE
PHILLIPS 66 PIPELINE LLC

By _____

Karen Mitchoff
Chair, Board of Supervisors

By _____

Tracey R. Brown
Supervisor, Western Region Real
Estate and Right-of-Way

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

STATE OF CALIFORNIA)

COUNTY OF CONTRA COSTA)

On _____ before me, Clerk of the Board of Supervisors, Contra Costa County, personally appeared _____, 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: _____

Deputy Clerk