

Attachment C-2

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10449

COUNTY OF MONTEREY

FEB 29 11 48 AM '90

LAND CONSERVATION CONTRACT

THIS CONTRACT made and entered into this February, 1990, by and between the COUNTY OF MONTEREY, CALIFORNIA political subdivision of the State of California, hereinafter called "County" and Sam Avila, Jr., and Marguriete J. Avila, as husband and wife, Robert J. Pia and William Lawrence, Successor Trustees under the will of Joseph Labarere hereinafter called "Owner."

OFFICE OF RECORDER
COUNTY OF MONTEREY
MONTEREY, CALIFORNIAWITNESSETH:**NO FEE**

WHEREAS, Owner has obtained certain property which is located in an agricultural preserve (72-1) heretofore established by Resolution No. 72-33-1, and which is the subject of a Land Conservation Contract recorded February 29, 1972, at Reel 756, pages 435 and following; and

WHEREAS, both owner and County wish to limit the use of the property to agricultural and compatible uses; and

WHEREAS, on February 21, 1989, the Board of Supervisors of Monterey County approved an amendment to the existing Agricultural Preserve 72-1, which allows the removal of a 10.97 acre parcel and the inclusion of an adjoining 16.40 acre parcel to the preserve;

NOW, THEREFORE, County and Owner agree as follows:

1. EXCHANGE OF LAND.

Exhibit A to the Land Conservation Contract recorded February 29, 1972, and recorded at Reel 756, pages 435 and following, Official Records of Monterey County, is hereby amended to reflect the exchange of land as set forth in Exhibit A-I, attached hereto and made a part hereof.

2. CONTRACT SUBJECT TO CALIFORNIA LAND CONSERVATION ACT OF 1965, AS AMENDED.

This contract is entered into pursuant to Chapter 7 (commencing with Section 51200) as Part 1, Division 1, Title 5 of the Government Code, which is known as the California Land Conservation Act of 1965, or as the Williamson Act. This contract is subject to all of the provisions of this act including any amendments thereto which may be enacted from time to time.

3. RESTRICTION ON USE OF PROPERTY.

During the term of this contract, and any and all renewals thereof, the property described in Exhibit A shall not be used by

Owner, or Owner's successors in interest, for any purpose other than the production of food and fibre for commercial purposes and uses compatible thereto. A list of all such compatible uses is set forth in Exhibit B, attached hereto and by this reference incorporated herein. County, by uniform rule adopted by the Board of Supervisors of County, may from time to time during the term of this contract and all renewals thereof, add to the list of compatible uses which shall be uniform throughout the agricultural preserve in which the property in Exhibit A-I is located; provided, however, County may not during the term of this contract or any renewal thereof, without the prior written consent of Owner, remove any of the compatible uses for the subject property which are set forth in Exhibit B. The provisions of this contract and any uniform rule supplementing the list of compatible uses are not intended to limit or supersede the planning and zoning powers of County.

4. TERM OF CONTRACT.

This contract shall continue in effect from the date it is fully executed, and shall remain in full force and effect for an initial term of twenty years. The initial term of twenty years shall be measured commencing as of the first day of January next succeeding the date of execution. Each succeeding first day of January shall be deemed to be the annual renewal date of this contract. This contract shall be automatically renewed on each succeeding January 1 and one additional year shall be added automatically to the initial term unless notice of nonrenewal is given as provided in paragraph 5.

5. NOTICE OF NONRENEWAL.

(a) If either party desires in any year not to renew this contract, that party shall serve written notice of nonrenewal upon the other party in advance of the annual renewal date of this contract. Unless such written notice of nonrenewal is served by Owner at least 90 days prior to the renewal date, or by County at least 60 days prior to the renewal date, this contract shall be considered renewed as provided in paragraph 4 above.

(b) If either party serves written notice of nonrenewal in any year within the time limits of (a) above, this contract shall remain in effect for the balance of the period remaining since the original execution or the last renewal of this contract, as the case may be.

6. NO COMPENSATION.

Owner shall not receive any payment from County in consideration of the obligations imposed under this contract, it being recognized and agreed that the consideration for the execution of this contract is the substantial benefit to be derived therefrom, and the advantage that may accrue to Owner as a result of the effect upon the assessed value of the property on

account of the restrictions on the use of the property contained herein.

7. SUCCESSORS IN INTEREST.

This contract and the restrictions imposed hereunder shall run with the property described in Exhibit A-I and shall be binding upon the heirs, executors, administrators, trustees, successors, and assigns of Owner. This contract shall also be transferred from County to any succeeding city or county acquiring jurisdiction over the property described in Exhibit A-I. On the completion of annexation proceedings by a city, that city shall succeed to all rights, duties and powers of the County under this contract for that portion of the property described in Exhibit A-I annexed to the city.

8. DIVISION OF LAND.

The property described in Exhibit A shall not be divided without the written approval of the County first had and obtained. This contract is divisible in the event the property described in Exhibit A-I is divided. Owner agrees to submit any proposed division to County for its approval and County, if it approves said division, shall, as a condition of its approval of the division, require the execution by Owner of contract identical to this contract on each parcel created by the division. Owner agrees to execute such contract.

9. CONDEMNATION.

When any action in eminent domain for the condemnation of the fee title of any land described in Exhibit A-I 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 becomes null and void as to the land actually being condemned or so acquired as of the date the action is filed or so acquired.

10. CANCELLATION.

This contract may be cancelled by the mutual agreement of the parties hereto and the approval of the State of California in the manner provided in this paragraph. It is understood by the parties hereto that the existence of an opportunity for another use of the property shall not be sufficient reason for the cancellation of this contract. A potential alternative use of the property may be considered only if there is no proximate non-contracted land suitable for the use to which it is proposed that this property be put. The parties further understand that the uneconomic character of an existing agricultural use shall not be sufficient reason for cancellation of this contract, but

may be considered only if there is no other reasonable or comparable agricultural use to which the land may be put.

(a) Upon the written request of Owner to cancel this contract, the Board of Supervisors of the County of Monterey may adopt a resolution consenting to such request. Prior to the adoption of a resolution consenting to the request of the landowner to cancel this contract, the Board of Supervisors of County shall hold a public hearing on the matter. Notice of the hearing shall be mailed to each and every owner of property under contract within the agricultural preserve in which the property described in Exhibit A-I is located, and shall be published pursuant to Section 6061 of the Government Code. If at the hearing, or prior thereto, the owners of 51 percent of the acreage under contract in the agricultural preserve protest the cancellation of this contract, the Board of Supervisors shall not consent to cancel this contract.

(b) If the Board of Supervisors adopts a resolution consenting to the request of Owner to cancel this contract, the parties shall request that the cancellation be approved by the State Director of Agriculture upon recommendation of the State Board of Agriculture. The State Board of Agriculture may recommend and the State Director of Agriculture may approve the cancellation only if they find: (1) The cancellation is not inconsistent with the purposes of the California Land Conservation Act of 1965 as amended; and (2) the cancellation is in the public interest.

(c) The provisions of subparagraph (b) of this paragraph 10 relating to the State Board of Agriculture and the Director of Agriculture shall be applicable only if both the State Board and the State Director consent to act as described herein. If either the State Board or the State Director fail or refuse to act within 60 days after being requested to do so, the Board of Supervisors of the County of Monterey shall act in the place and stead of the State Board and State Director and shall make all findings and decisions required by subparagraph (b).

11. LIABILITY OF OWNER UPON CANCELLATION.

(a) Prior to any action by the Board of Supervisors giving tentative approval to the cancellation of this contract, the County Assessor shall determine the full cash value of the land as though it were free of the contractual restrictions imposed by this contract. The Assessor shall multiply such value by the most recent county ratio announced pursuant to Section 401 of the Revenue and Taxation Code, and shall certify the product to the Board of Supervisors as the cancellation valuation of the land for the purpose of determining the cancellation fee. The Board of Supervisors shall thereafter and prior to giving tentative approval to the cancellation of this contract determine and certify to the County Auditor the amount of the cancellation fee which the Owner must pay the County Treasurer as deferred taxes

upon cancellation. That fee shall be an amount equal to 50 percent of the cancellation value of the property; provided, however, if after the date this contract was initially entered into the publicly announced County ratio of assessed to full cash value is changed, the percentage payment shall be changed so no greater percent of full cash value will be paid than would have been paid had there been no change in ratio. It is agreed by the parties hereto that the publicly announced County ratio at the time this contract is executed is 25 percent of full cash value.

(b) If the State Board of Agriculture recommends that it is in the public interest to do so, and the State Director of Agriculture so finds, the Director may waive any such payment or any portion thereof, or may make such payment or portion thereof, contingent upon the future use made of the property and its economic return to Owner for a period of time not to exceed the unexpired term of the contract had it not been cancelled, provided: (i) the cancellation is caused by an involuntary transfer or change in the use which may be made of the property and the property is not immediately suitable, nor will be immediately used, for a purpose which produces a greater economic return to Owner; and (ii) County has recommended to the State Board of Agriculture that no such payment be required or that the deferment of such payment or portion thereof be allowed, and the Board of Supervisors has determined it is in the best interests of the public conservation of agricultural land and that such payment be either deferred or not required.

(c) The provisions of subparagraph (b) of this paragraph 11 relating to the State Board of Agriculture and the Director of Agriculture shall be applicable only if the State Board and the State Director both consent to act as described herein. If either the State Board or the State Director fail or refuse to act within 60 days after being requested to do so, the Board of Supervisors of the County of Monterey shall act in the place and stead of the State Board and the State Director and shall make all findings and decisions required by subparagraph (b).

(d) Owner shall make payment of the cancellation fee in full prior to the cancellation becoming effective.

12. NOTICES.

All notices required or permitted by this contract shall be given in writing and may be mailed or delivered in person. If mailed, the address of Owner shall be the last known address on the assessment records of County, and County's address shall be In Care of Board of Supervisors, Courthouse, Salinas, California 93901, and deposit in the mail, postage prepaid, shall be deemed receipt thereof.

13. COSTS OF LITIGATION.

In case County shall, without any fault on its part, be made a party to any litigation commenced by or against Owner, then Owner shall and will pay all costs and reasonable attorneys' fees incurred by or imposed upon County by or in connection with such litigation, and Owner shall and will pay all costs and reasonable attorneys' fees which may be incurred or paid by County in enforcing the covenants and agreements of this contract.

IN WITNESS WHEREOF the parties have caused this contract to be executed by Owner on _____ and by County on February 12, 1990.

COUNTY OF MONTEREY

By *Dusan M. Petrovic*
Dusan M. Petrovic, Chairman
Board of Supervisors

ACKNOWLEDGEMENT

State of California)
County of Monterey) ss.

On February 12, 1990, before me ERNEST K. MORISHITA, Clerk of the Board of Supervisors, in and for said County and State, personally appeared Dusan M. Petrovic, known to me to be the person who executed the within instrument on behalf of said political subdivision, and acknowledged to me that such County of Monterey executed the same.

ERNEST K. MORISHITA, Clerk of the Board of Supervisors of Monterey County, State of California
By *Nancy Lokenbill*
Deputy

OWNER(S)
1/11/90 *Sam Avila, Jr.*
Sam Avila, Jr.
1/11/90 *Marguerite J. Avila*
Marguerite J. Avila

1/23/90 Robert P. [Signature]
Robert P. [Signature], Successor Trustee
under the will of Joseph Labarere

1/11/90 [Signature]
William Lawrence, Successor
Trustee under the will of
Joseph Labarere

State of California)
County of Monterey) ss.

On _____, 1988, before me _____,
the undersigned Notary Public, personally appeared _____

_____ personally known to me (or proved to me on the basis of satisfac-
tory evidence) to be the persons who executed the within instru-
ment and acknowledged to me that they executed the same.

WITNESS my hand and official seal.

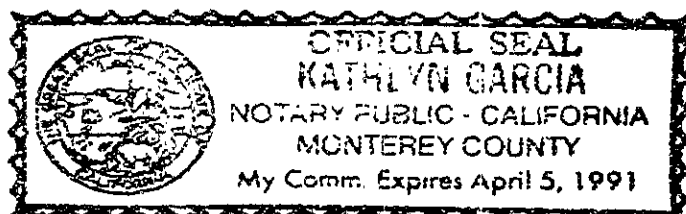
Notary Public

My Commission expires _____.

STATE OF CALIFORNIA)
) ss.
COUNTY OF MONTEREY)

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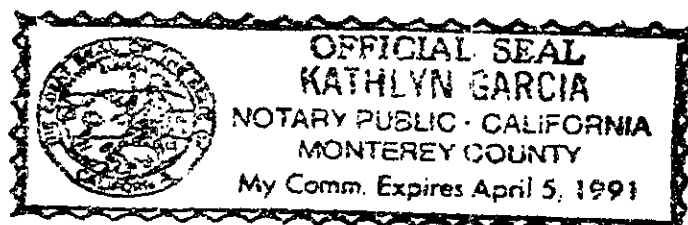
On this 11th day of January, 1990, before me, the undersigned, a Notary Public in and for said County and State, personally appeared SAM AVILA, JR. and MARGUERITE J. AVILA, personally known to me or proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged that they executed it.



Kathlyn Garcia
Notary Public in and for said
County and State

STATE OF CALIFORNIA)
) ss.
COUNTY OF MONTEREY)

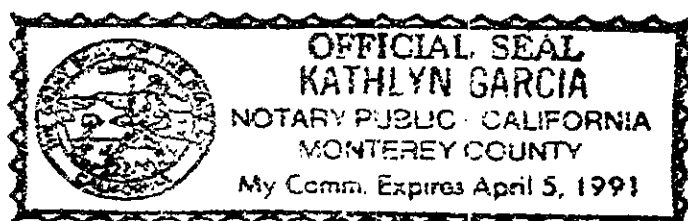
On this 11th day of January, 1990, before me, the undersigned, a Notary Public in and for said County and State, personally appeared WILLIAM LAWRENCE, Trustee, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged that he executed it.



Kathlyn Garcia
Notary Public in and for said
County and State

STATE OF CALIFORNIA)
) ss.
COUNTY OF MONTEREY)

On this 23rd day of January, 1990, before me, the undersigned, a Notary Public in and for said County and State, personally appeared ROBERT J. PIA, Trustee, personally known to me or proved to me on the basis of satisfactory evidence to be the persons whose name is subscribed to the within instrument and acknowledged that he executed it.



Kathlyn Garcia
Notary Public in and for said
County and State

All that certain real property situate in the County of Monterey, State of California, described as follows:

PARCEL ONE

(a) All that part of section 14, Township 23 South, Range 10 East of Mount Diablo Meridian, lying Southwesterly of the Northeasterly boundary line of the parcel of land conveyed to the State of California, by Deed dated May 14, 1915, recorded in Volume 139 of Deeds at page 96, Monterey County Records; and also lying Southwesterly of the Northeasterly boundary line of the parcel of land conveyed to the State of California, by Deed dated July 21, 1933, recorded in Volume 371 of Official Records, at page 120, Monterey County Records, where last said boundary line lies Easterly of the Northeasterly boundary line of the parcel conveyed by the first aforesaid deed, Containing 24.79 acres of land, more or less.

ALL OF SECTION 15

EXCEPTING AND RESERVING FROM the North 1/2 of the Northwest 1/4 of said Section 15, to the United States, all the coal and other minerals in the land so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 (39 Stat., 862), as recited in the Patent of record for said land.

ALSO EXCEPTING FROM the Northeast 1/4 of Section 15 - AN UNDIVIDED ONE-HALF (1/2) interest in any and all minerals, oil, gas and other hydrocarbon substances that may be produced therefrom, as conveyed to E. B. Hall and Co., by Deed dated August 1, 1946 and recorded August 20, 1946 in Volume 923 Official Records of Monterey County at page 196.

(b) ALL OF SECTION 16

(c) East 1/2 of Section 17

EXCEPTING AND RESERVING from the Northeast 1/4 and West 1/2 of Southeast 1/4 of said Section 17, to the United States, all the coal and other minerals in the land so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 (39 Stat., 862), as recited in the Patents of record for said land.

(d) That portion of Section 17 described as follows: COMMENCING at the intersection and common point of the Northeast, Northwest, Southwest and Southeast quarters of Section 17, Township 23 South, Range 10 East, Mount Diablo Meridian, running thence Northerly along the common line of the Northeast and Northwest quarters of said Section to the North line of said Section; thence Westerly along said North line to a point distant thereon one-half the distance on said land from said common line of the Northeast and Northwest quarters of said Section to the intersection of said North line with the West line of said Section; thence from said point in a Southeasterly direction to the common point of the Northeast, Northwest Southwest and Southeast Quarters of said Section, and the point of beginning said tract Containing 40 acres, more or less.

EXCEPTING FROM all property described in Parcel one (d) all, mineral rights, as recited in the Deed from Athelma E. Lamb and Florene Glau to Newell Alton, dated May 31, 1933 and recorded June 7, 1933 in Volume 365 Official Records, at page 213, Monterey County Records.

The North 1/2 of the Northeast 1/4 and Southeast 1/4 of Northeast 1/4 of Section 20; and
The Southwest 1/4 of Section 21, all in Township 23 South, Range 10 East, Mount Diablo Base and Meridian.

EXCEPTING AND RESERVING from said portions of said Sections 20 and 21 to the United States, all the coal and other minerals in the land so entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December, 29, 1916 (39 Stat., 862) as recited in the Patents of record for said land.

Northeast 1/4 of Southeast 1/4 of Section 20;
West 1/2 of Southwest 1/4 and Southeast 1/4 of Southwest 1/4, and
North 1/2 of Section 21, Township 23 South, Range 10 East, Mount Diablo Base and Meridian.

EXCEPTING THEREFROM ONE-HALF of the oil rights from the North 1/2 of Section 21, Township 23 South, Range 10 East of Mount Diablo Base and Meridian as conveyed in the Gift Deed from Joe Labarere, a married man dealing with his separate property, to Alice Cazaux, Irene Cazaux, Valerie Cazaux, Claudette Lembeye and Adrienne Lembeye, share and share alike, dated July 6, 1959, recorded July 6, 1959 in Volume 1971 Official Records, at page 131, Monterey County Records.

ALL OF SECTION 22, Containing 640 acres of land, a little more or less.

All in Township 23 South, Range 10 East of Mount Diablo Base and Meridian.

EXCEPTING AND RESERVING THEREFROM, HOWEVER, - AN UNDIVIDED ONE-HALF INTEREST in and to all minerals, oil, gas, asphaltum, and other hydrocarbons and substances associated therewith, now or at any time hereafter in, on, or under said property, - as recited in the Deed from Gertrude S. Neustadter, as the duly appointed, qualified and acting administratrix with the Will Annexed of the Estate of Isaac Strassburger, alias, deceased, first party, Newton H. Neustadter, Jr., as surviving trustee of the trust created under the Last Will and Testament of said Isaac Strassburger, deceased, Gertrude L. Isaacs and Frances L. Dinkelspiel, second parties, to Joe Labarere, dated January 16, 1943 and recorded April 20, 1943 in Volume 795 of Official Records at page 400, Monterey County Records.

All those portions of Lots 1, 2 and 3 and of the Southwest 1/4 of the Northeast 1/4 and of Southeast 1/4 of Northwest 1/4 of Section 23 in Township 23 South, Range 10 East, Mount Diablo Base and Meridian, lying Southwesterly of the Northeasterly boundary line of that certain strip or parcel of land, 60 feet in width, described in the deed to the State of California, dated May 14, 1915 and recorded in Volume 139 of Deeds at page 96, Monterey County Records, and Containing 107.67 acres, more or less; and

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The West 1/2 of Northwest 1/4, and North 1/2 of Southwest 1/4 and Southeast 1/4 of said Section 23.

All that portion of Section 24 in Township 23 South, Range 10 East of Mount Diablo Meridian, lying Southwesterly of the Northeasterly boundary line of that certain strip or parcel of land, 60 feet in width, described in Deed to the State of California, dated May 14, 1915 and recorded in Volume 139 of Deeds at page 96, Monterey County Records, Containing an area of 75.26 acres, more or less.

The Southwest 1/4 of Section 25 in Township 23 Souty, Range 10 East of Mount Diablo Base and Meridian.

EXCEPTING FROM the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of said Section 25, the following: BEGINNING at the Southwest corner of the said Southwest 1/4 of Section 25; thence Northerly to the Northwest corner of the said Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of said Section 25; thence Southeasterly to the Southeast corner of the said Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of said Section 25; thence Westerly to the place of beginning, and containing 5 acres of land, more or less.

The Northwest 1/4 of Section 25 in Township 23 South, Range 10 East of Mount Diablo Base and Meridian.

EXCEPTING all minerals, oil, gas and petroleum substances and by-products thereof, etc., as recited in the deed from A. F. Gimbal and Louise Gimbal to Ernest A. Abadie, dated April 28, 1910 and recorded May 5, 1910 in Volume 113 of Deeds at page 497, Monterey County Records.

The Southeast 1/4 of Southeast 1/4 of Northeast 1/4 of Section 27 in Township 23 South, Range 10 East, Mount Diablo Meridian.

EXCEPTING ALL oil, gas, petroleum, asphaltum and other hydrocarbon substances, as conveyed by Joseph Labarere and Jane A. Labarere, his wife, to Catherine Horques, by deed dated February 14, 1923 and recorded March 19, 1923 in Volume 15 of Official Records at page 322, Monterey County Records.

Those portions of Section 27 in Township 23 South, Range 10 East Mount Diablo Base and Meridian, described as follows:

The North 1/2 of Northeast 1/4, and Southwest 1/4 of Southeast 1/4 of Northeast 1/4.

That portion of Northeast 1/4 of Northeast 1/4 of Northwest 1/4 of said Section 27, described as follows: BEGINNING at the Northeast corner of said Northwest 1/4 of Section 27; thence Southerly to the Southeast corner of said Northeast 1/4 of Northeast 1/4 of Northwest 1/4 of Section 27; thence Northwesterly to the Northwest corner of Northeast 1/4 of Northeast 1/4 of Northwest 1/4 of Section 27; thence Easterly to the place of beginning, and containing 5 acres of land, more or less.

Also that portion of Northeast 1/4 of Southwest 1/4 of Northeast 1/4 of said Section 27, described as follows: BEGINNING at the Northeast corner of said Northeast 1/4 of Southwest 1/4 of Northeast 1/4 of Section 27; thence Southerly to the Southeast corner of said Northeast 1/4 of Southwest 1/4 of Northeast 1/4 of Section 27; thence Northwesterly to the Northwest corner of said Northeast 1/4 of Southwest 1/4 of Northeast 1/4 of Section 27; thence Easterly to the place of beginning, and Containing 5 acres of land, more or less.

EXCEPTING from the Southwest 1/4 of Northwest 1/4 of Northeast 1/4 of said Section 27, the following: BEGINNING at the Southwest corner of said Southwest 1/4 of Northwest 1/4 of Northeast 1/4 of Section 27; thence Northerly to the Northwest corner of said Southwest 1/4 of Northwest 1/4 of Northeast 1/4 of Section 27; thence Southeasterly to the Southeast corner of said Southwest 1/4 of Northwest 1/4 of Northeast 1/4 of Section 27; thence Westerly to the place of beginning, and Containing 5 acres of land, more or less.

Northeast 1/4 of Southeast 1/4 of Northeast 1/4; and West 1/4 of Northwest 1/4 of West 1/2 of Southwest 1/4 of Section 27 in Township 23 South, Range 10 East of Mount Diablo Meridian.

All of Section 28 in Township 23 South, Range 10 East, Mount Diablo Meridian. EXCEPTING THEREFROM - An UNDIVIDED 2/3 interest in and to all minerals, and mineral rights, as conveyed by Roy Glau and Florence Glau, his wife, to Charles S. Webber, et al, and H. A. Stout, as trustee, for Alpha A. Webber, et al, by Deeds recorded in Volume 503 of Official Records at page 244, Monterey County Records, and in Volume 505 Official Records at page 243, Monterey County Records.

Northeast 1/4 of Section 32:

EXCEPTING THEREFROM THE FOLLOWING:

Certain Real property situate in the Southwest 1/4 of the Northeast 1/4 of Section 32, Township 23 South, Range 10E, Mount Diablo Meridian, Monterey County, California, being particularly described as follows:

Beginning at the Southwesterly corner of said Southwest 1/4 of Northeast 1/4 of Section 32, and running along the Westerly line thereof

(1) North 0°08'33" East, 1134.03 feet to intersection with the centerline of Heinsen Road, a 40 foot wide county road, as constructed and travelled, thence leave said Westerly line and along said centerline

(2) South 41°58'30" East, 147.17 feet; thence

(3) South 26°47' East, 127.6 feet; thence

(4) South 28°38'45" East, 416.4 feet; thence

(5) South 44°58' East, 240.1 feet; thence

(6) South 57°48' East, 274.7 feet; thence

(7) South 46°49' East, 143.5 feet; thence

(8) South 35°06' East, 149.15 feet to intersection with the Southerly line of Northeast Quarter; thence leave said centerline and along said Southerly line

(9) South 89°28' 15" West, 950.92 feet; to the place of beginning.

EXCEPTING THEREFROM 3/4 of all mineral rights, as excepted in the deed from Newell Alton, et al., to Florence Glau, dated May 31, 1933 and recorded in Volume 365 Official Records, at page 211, (AFFECTING the Northeast 1/4 of Section 32; and the West 1/2 of the Northwest 1/4 of Section 33, Township 23 South, Range 10 East).

ALSO EXCEPTING THEREFROM 1/4 of all oil, gas and/or minerals in said lands together with the right of the grantor, her heirs, assigns, lessees and legal representatives at all times to enter on the above described land and to take all of the usual, necessary or convenient means to bore wells, make excavation and to remove the oil, gas and/or minerals herein reserved and found thereon, as recited in the Deed from Athelma E. Lamb, to Joe Labarere and Marie Labarere, his wife, dated August 5, 1952 and recorded August 8, 1952 in Volume 1398 Official Records, at page 17.

West 1/2 of Northwest 1/4 of Sections 33, all in Township 23 South, Range 10 East of Mount Diablo Meridian.

EXCEPTING FROM said Sections 32 and 33, 3/4 of all mineral rights, - as excepted in the deed from Newell Alton, et al, to Florene Glau, dated May 31, 1933 and recorded in Volume 365 of Official Records of Monterey County at page 211.

ALSO EXCEPTING FROM PARCEL ONE all that portion thereof conveyed by Joseph Labarere, also known as Joe Labarere, and Marie Labarere, his wife, to State of California by deed dated July 5, 1961 and recorded October 31, 1961 in Volume 2197 Official Records at page 301, Monterey County Records.

ALSO EXCEPTING FROM PARCEL ONE the following six parcels or mineral interests:

(1) An undivided two percent interest in and to all of the oil, gas and other minerals in and under and that may be produced from: The Northwest 1/4; the Southeast 1/4 the South 1/2 of the Northeast 1/4 and the Northwest 1/4 of the Northeast 1/4 of Section 16; The Southwest 1/4 and the South 1/2 of the Northwest 1/4 and the South 1/2 of the Southeast 1/4 of Section 15; The North 1/2 of Section 22, containing 1,080.00 acres together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas and other minerals, and storing, handling transporting and marketing the same therefrom, with the right to remove from said land all of Grantee's property, and improvements, as conveyed by Joe Labarere, et ux, to C. R. Pickering, by deed dated May 21, 1951 and recorded June 11, 1951, in Volume 1309 Official Records of Monterey County at page 200.

(2) An undivided 1/2 interest as to: Southwest 1/4 of Section 16, containing 160 acres, in and to all of the oil, gas and other minerals in and under and that may be produced from said lands, together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and development said lands for oil, gas and other minerals, and storing, handling, transporting and marketing the same therefrom with the right to remove from said lands all of Grantee's property and improvements, as conveyed by Joe Labarere, et ux, to C. R. Pickering, by Deed dated May 21, 1951 and recorded June 11, 1951 in Volume 1309 Official Records of Monterey County at page 197.

(3) An undivided 1/4 of all oil, gas and other hydrocarbon substances and minerals lying in and under and which may be produced from: East 1/2 of Southeast 1/4 Northwest 1/4 of Northeast 1/4 and South 1/2 of Northeast 1/4 of Section 16; South 1/2 of Northwest 1/4, Southwest 1/4 and South 1/2 of Southeast 1/4 of Section 15, containing 520 acres, as conveyed by Joseph Labarere et ux to George H. Hotaling, et al, by deed dated June 1, 1951 and recorded July 3, 1951 in Volume 1314 Official Records of Monterey County at page 38.

(4) An undivided 1/4 of all oil, gas and other hydrocarbon substances and minerals lying in and under and which may be produced from: The Northwest 1/4 and the West 1/2 of the Southeast 1/4 of Section 16, containing 240 acres as conveyed by Joseph Labarere, et ux to George H. Hotaling, et al by deed dated June 19, 1951 and recorded July 3, 1951 in Volume 1314 Official Records of Monterey County at page 34.

(5) An undivided 1/4 of all oil, gas and other hydrocarbon substances and minerals lying in and under and which may be produced from West 1/2 of Northwest 1/4 of Section 22, containing 80 acres, as conveyed by Joseph Labarere, et ux to George H. Hotaling, et al, by deed dated June 19, 1951 and recorded July 3, 1951 in Volume 1314 Official Records of Monterey County at page 42.

(6) An undivided 1/4 of all oil, gas and other hydrocarbon substances and minerals lying in and under and which may be produced from Northeast 1/4 and East 1/2 of Northwest 1/4 of Section 22, containing 240 acres. As conveyed by Joseph Labarere, et ux to George H. Hotaling, et al by deed dated June 19, 1951 and recorded July 3, 1951 in Volume 1314 of Official Records, Monterey County at page 46.

PARCEL TWO:

East half of Northwest 1/4 and Southwest 1/4 of Section 33 in Township 23 South, Range 10 East of Mount Diablo Base and Meridian.

EXCEPTING THEREFROM all that portion lying Southwesterly of the centerline of the Hunter-Liggett Military Highway, as granted to the State of California, by deeds recorded in Volume 773 of Official Records at pages 168 and 170, Monterey County Records.

ALSO EXCEPTING any portion in said Highway.

ALSO EXCEPTING all oil, gas, and/or minerals in said lands, together with the right of the grantor, her heirs, assigns, lessees and legal representatives at all times to enter on the above described land and to take all of the usual, necessary or convenient means to bore wells, make excavations and to remove the oil, gas and/or minerals herein reserved and found thereon, as recited in the deed from Athelma E. Lamb to Joe Labarere and Marie Labarere, his wife, dated August 5, 1952 and recorded August 8, 1952 in Volume 1398 Official Records of Monterey County at page 17.

PARCEL THREE:

(a) All that portion of the Southwest 1/4 of the Northwest 1/4 of the Northeast 1/4 of Section 27, Township 23 South of Range 10 East, described as follows: BEGINNING at the Southwest corner of the Northwest 1/4 of the Northeast 1/4 of said Section 27; thence Northerly to the Northwest corner of the Southwest 1/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 27; thence Southeasterly to the Southeast corner of the Southwest 1/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 27; thence Westerly to the Southwest corner of the Northwest 1/4 of the Northeast 1/4 of said Section 27 and point of beginning, CONTAINING 5 acres, more or less.

(b) All of that portion of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of Section 25, Township 23 South of Range 10 East, described as follows: Beginning at the Southwest corner of said Section 25; thence Northerly to the Northwest corner of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of said Section 25; thence Southeasterly to the Southeast corner of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of said Section 25; thence Westerly to the Southwest corner of said Section 25 and point of beginning. CONTAINING AN AREA OF 5 acres, more or less.

(c) All of Section 26; East 1/2 of the West 1/2, Southwest 1/4 of the Northeast 1/4 and Southeast 1/4 of Section 27; East 1/2 of Section 33; North 1/2 of Section 34; and Northwest 1/4 of Section 36, all in Township 23 South, Range 10 East, Mount Diablo Base and Meridian, Containing 1,800 acres, more or less.

EXCEPTING that portion of the Northeast 1/4 of the Northeast 1/4 of the Northwest 1/4 of Section 27, Township 23 South, Range 10 East, described as follows: BEGINNING at the Northeast corner of the Northwest 1/4 of said Section 27; thence Southerly to the Southeast corner of the Northeast 1/4 of the Northeast 1/4 of the Northwest 1/4 of said Section 27; thence Northwesterly to the Northwest corner of said Northeast 1/4 of the Northeast 1/4 of the Northwest 1/4 of Section 27; thence Easterly to the Northeast corner of the Northwest 1/4 of said Section 27, and point of beginning. CONTAINING 5 acres, more or less.

ALSO EXCEPTING that portion of the Northeast 1/4 of the Southwest 1/4 of the Northeast 1/4 of Section 27, Township 23 South of Range 10 East, described as follows:

BEGINNING at the Northeast corner of the Southwest 1/4 of the Northeast 1/4 of said Section 27; thence Southerly to the Southeast corner of said Northeast 1/4 of the Southwest 1/4 of the Northeast 1/4 of Section 27; thence Northwesterly to the Northwest corner of the said Northeast 1/4 of the Southwest 1/4 of the Northeast 1/4 of Section 27; thence Easterly to the Northeast corner of the Southwest 1/4 of the Northeast 1/4 of said Section 27; and point of beginning. CONTAINING 5 acres, more or less.

ALSO EXCEPTING the interest of the County of Monterey, in that portion of Section 36, granted for the sole purpose of public highway and County Road, by deed recorded in Volume 126 of Deeds at page 62, Monterey County Records.

EXCEPTING FROM SAID PARCEL THREE, an undivided 1/2 interest in all minerals oil, gas and other hydrocarbon substances, together with the right of ingress and egress for the purpose of removing the same, as recited in the Deed from Elsie I. Hunter Dryden, as Trustee of the Trust created in that Declaration of Trust, dated December 30, 1943 and recorded August 3, 1951 in Volume 1320 Official Records of Monterey County, at page 244, to Joseph Labarere and Marie Labarere, his wife, dated September 15, 1955 and recorded September 28, 1955 in Volume 1648 Official Records of Monterey County at page 174, under Series No. 27120

ALSO EXCEPTING from the Northeast 1/4 of Section 36 above, all that portion thereof conveyed by Joseph Labarere, also known as Joe Labarere, and Marie Labarere, his wife to State of California by deed dated July 5, 1961 and recorded October 31, 1961 in Volume 2197 Official Records at page 301, Monterey County Records.

PARCEL FOUR:

The North 1/2 of the North 1/2 of Section 35 in Township 23 South, Range 10 East, Mount Diablo Base and Meridian. Containing 160 acres more or less.

PARCEL FIVE:

The South 1/2 of Section 34 in Township 23 South, Range 10 East, Mount Diablo Base and Meridian. Containing 320 acres, more or less.

PARCEL SIX:

All that portion of the North 1/2 of Section 3, Township 24 South, Range 10 East, Mount Diablo Base and Meridian, lying Northerly of the Northerly boundary of the easement for highway purposes described in the Deed from B. F. Porter Estate, a corporation, to the State of California, dated February 13, 1943 and recorded on October 17, 1944 in Volume 848 Official Records, of Monterey County at page 255, and following.

PARCEL SEVEN:

All that portion of Lot 2 (the Northwest 1/4 of the Northeast 1/4) of Section 4, Township 24 South, range 10 East, Mount Diablo base and Meridian,

lying Northerly of the Northerly boundary of the easement for highway purposes described in the deed from B. F. Porter Estate, a corporation, to the State of California, dated February 13, 1943 and recorded on October 17, 1944 in Volume 848 Official Records of Monterey County at page 255, and following. CONTAINING 14 acres, more or less.

EXCEPTING FROM ALL OF THE ABOVE DESCRIBED PARCELS FOUR, FIVE, SIX AND SEVEN - AN UNDIVIDED ONE-HALF of all oil, asphaltum, petroleum, natural gas and other hydrocarbons and other valuable mineral substances and products and all other minerals, whether or not of the same character hereinbefore described generally, in, under or upon said real property.

ALSO EXCEPTING FROM PARCEL SIX above, all oil, gas, asphaltum, hydrocarbon substances and all other minerals of whatsoever kind, or character, and the by-products thereof, in, upon or under; LOTS 1 and 2 in Section 3, all in Township 24 South, Range 10 East of Mount Diablo Base and Meridian. CONTAINING 68.45 acres of land, according to the United States Government Survey thereof.

TOGETHER with the sole and exclusive right, acting by themselves or through their agents, servants, workmen, or contractees, to prospect for, to drill for, produce, extract, take and dispose of, all oil, gas asphaltum, hydrocarbon substances, and all other minerals of whatsoever kind or nature, and the by-products thereof, and water necessary for such operation, upon and from, and to store the same upon, said real property, and the sole and exclusive right at any time and from time to time to construct, use, maintain, erect, repair, and replace thereon, and remove therefrom, all equipment, building, tanks, machinery, telephone and telegraph lines, pipe lines, and other structures which the said First Parties, or their heirs, administrators, executors, successors or assigns, may desire in doing any or all such things in, upon or under said real property, and the sole and exclusive right generally to do all other acts and things necessary or proper in searching for, prospecting for, mining, working, storing or transporting, oil, gas, asphaltum, hydrocarbon substances, or other minerals of whatsoever kind or nature, and the by-products thereof, in upon or under said real property, and said First Parties do hereby reserve to themselves, their heirs, executors, administrators, successors and assigns, rights of way for passage over, upon and across, and ingress and egress to and from said real property for themselves, their agents, servants, workmen, or contractees, and for the transportation of equipment in searching for, prospecting for, mining, working, storing or transporting, oil, gas, asphaltum, hydrocarbon substances, and all other minerals of whatsoever kind or nature, and the by products thereof, in, or upon or under said real property, and in doing each and all of the acts and things herein excepted and reserved to First Parties, their heirs, executors, administrators, successors and assigns, as RESERVED in the Deed from The Pacific Woodenware and Paper Company, a corporation, et al, to B. F. Porter Estate, a corporation, dated May 29, 1936 and recorded August 11, 1936 in Volume 490 Official Records at page 152, Monterey County Records.

PARCEL EIGHT:

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Certain real property situate in the North 1/2 of the Southeast 1/4 of Section 32, Township 23 South, Range 10 East, Mount Diablo Meridian, Monterey County, California, being particularly described as follows:

Beginning at the Northeasterly corner of said Southeast 1/4 of Section 32 from which a 3/4" diameter iron pipe at the Northeasterly Section corner of said Section bears, along the Easterly line of said Section, N ϕ 08' 08" East, 2654.76 feet distant and running thence, along the Northerly line of said Southeast 1/4

- (1) South 89°28'15" West, 1686.0 feet to intersection with the centerline of Heinsen Road, a 40 foot wide county road, as constructed and travelled; thence leave said Northerly line and along said road centerline
- (2) South 35°06' East, 52.83 feet; thence
- (3) South 51°03' East, 213.95 feet; thence
- (4) South 60°53'20" East, 621.65 feet; thence
- (5) South 71°48' East, 75.7 feet; thence
- (6) North 62°52'15" East, 165.7 feet; thence
- (7) North 83°51'40" East, 56.0 feet; thence
- (8) South 69°11'20" East, 313.65 feet; thence
- (9) South 56°44'30" East, 148.8 feet; thence
- (10) South 79°05'15" East, 166.0 feet; thence
- (11) North 77°50' East, 90.87 feet to intersection with said Easterly line of Section 32, from which a 3/4" diameter pipe bears, along said Section line, South 0°08'08" North 14.10 feet distant, thence leave said centerline and along said Easterly Section line
- (12) North 0°08'08" East, 643.14 feet to the place of beginning.

EXCEPTING FROM said Parcel, all right, title and interest in and to all the oil, gas, petroleum products, hydrocarbons and minerals together with the right at all times to enter on said land and to take all of the usual, necessary, or convenient means to bore wells, make excavations and to remove the oil, gas and/or minerals herein reserved and found thereon, as excepted in the deed from Clarence G. Sayler, et ux, dated September 24, 1974, recorded December 13, 1974, Under Series No. G39339. Grantors in said deed agree to indemnify Grantees for any damage to crops, fixtures, or real property caused by mineral exploration or production by Grantors, their agents or assigns, as recited in said deed.

EXHIBIT "B"

LAND CONSERVATION AGREEMENT

COMPATIBLE USES

The following is a list of land uses determined to be compatible with the agricultural use of the land subject to this agreement and planning and zoning restrictions:

1. The drying, packing or other processing of an agricultural commodity usually performed on the premises where it is produced but not including slaughter houses, fertilizer yards, bone yards or plants for the reduction of animal or vegetable matter.
2. Structures necessary and incidental to the agricultural use of the land.
3. Single family dwellings incidental to the agricultural use of the land for the residence of the owner, and the family of the owner.
Single family dwellings incidental to the agricultural use of the land for the residence of the lessee of the land and the family of the lessee.
4. Dwelling for persons employed by owner or lessee in the agricultural use of the land.
5. An aircraft landing strip incidental to the agricultural use of the land.
6. The erection, construction, alteration or maintenance of gas, electric, water or communication utility facilities.
7. The erection, construction, alteration or maintenance of radio, television or microwave antennas, transmitters and related facilities.
8. Public or private hunting of wildlife or fishing.
9. Public or private hunting clubs and accessory structures.
10. Public or private rifle and pistol practice range, trap or skeet field, archery range or other similar use.
11. Public or private riding or hiking trails.
12. Removal of natural materials.

END OF DOCUMENT

EXHIBIT "B"

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