GRANT OF EASEMENT

Timber Cove Mutual Water Company, a California non-profit corporation, (hereinafter referred to as "GRANTOR"), does hereby grant and convey to Timber Cove County Water District, a California County Water District, (hereinafter referred to as "GRANTEE"), an easement as described below, over that certain parcel of real property situate in an unincorporated area of Sonoma County, California, known as Timber Cove, Units One and Two, recorded in the Sonoma County Recorder's Office, Book 87 of Maps, page 35 and Book 103 of Maps pages 11 through 25 and by this reference made a part hereof, to do and perform the following:

To exclusively seek, find, drill, locate, construct and maintain one or more water wells which shall produce up to 100 gallons per minute of potable water for use by GRANTEE to serve its shareholders, and to construct and maintain upon said property such pipelines as shall be required to connect such well to the existing water system owned and/or maintained by GRANTEE.

The easement granted herein includes incidental rights of access to the above sites for maintenance and utility purposes.

The following conditions are fully applicable to the easement granted herein:

1. All pipelines therein installed and/or maintained shall be underground and out of sight wherever reasonably practical.

2. The water wells installed and/or maintained shall be underground and out of sight to the maximum reasonable extent possible.

3. Neither said water wells nor the said pipelines shall be located upon the "building area" of any lot as defined in the Declaration of Covenants, Conditions and Restrictions of record covering said Timber Cove Subdivision, Units One and/or Two.

4. The easements herein created, save and except the easements to maintain said water wells and pipelines, shall terminate as soon as water wells estimated by an independent expert to be capable of producing an average of 100 gallons per minute of potable water have been constructed and connected by such pipelines to the existing water system owned and/or maintained by GRANTEE. Said easements of maintenance shall remain in full force and effect in perpetuity or in the
alternative for the longest period of time allowable of law for
such easements.

5. Once any water well has been constructed pursuant to
this easement, its use shall be exclusive to GRANTEE, and
GRANTORS shall have no further right, title and/or interest
therein.

6. This easement is granted pursuant to judgment in Sonoma
County Superior Court Case No. 69379 and shall be binding upon
any and all successors in interest to GRANTORS from September 26,
1977 to the date hereof, provided that such successors in
interest have taken title subject to any judgment in the said
case.

Dated: August 1, 1984

Timber Cove Mutual Water Company

John Merner, President
State of California
County of Sonoma

On this 18th day of December in the year of 1986, before me, the undersigned, a Notary Public, personally appeared JOHN MERNER, personally known to me or proved to me on the basis of satisfactory evidence to be President of the Timber Cove Mutual Water Company and known to me to be the person who executed the within instrument as President of the Timber Cove Mutual Water Company and acknowledged to me that as such President of the Timber Cove Mutual Water Company he executed the same.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]
Notary Public for the State of California

[Stamp]
JANET E. CODDING
Notary Public — California
Principal Office in Sonoma County
My Commission Expires Feb. 9, 1986