DEED

The Grantor, PUGET SCUND POWER & LIGHT COMPANY, a Massachusetts corporation, sometimes hereinafter called "Puget", for the consideration of Ten Dollars (\$10.00) and other considerations, receipt of which is acknowledged, hereby conveys and warrants to LAKE TAPPS DEVELOPMENT CO., INC., a Washington corporation, Grantee, subject to the encumbrances, reservations, conditions and restrictions hereinafter set forth, that certain real property located in Pierce County, State of Washington, particularly described as follows:

All those tracts or parcels of land within that certain perimeter hereinafter described which lie between said perimeter and the contour line located at elevation five hundred and forty-five (545) rest above sea level around the lake Tapps reservoir of fuget Sound Fower & Light Company, expressly including within the foregoing description all those portions of the islands within Lake Tapps which lie above the 545-foot contour line and also those parcels or pockets of lowland, if any, within said perimeter which are separated from the waters of Lake Tapps by intervening shorelands above the 545-foot contour line,

EXCEPTING THEREFROM, however, the East half (E1) of the Northwest Quarter (NWL) of Section Ten (10), Township Twenty (20) North, Range Five (5) East, W.H.:

TOGETHER with the following rights, which shall not belong to the Grantee exclusively, in and to the use of the waters and the bed of Lake Tapps and the land between the 545-foot contour line and the shore of the lake, so far as Grantor may lawfully grant such rights, vix.:

- (a) the right to use the waters of Lake Tapps for boating, swimming, fishing and any other usual or ordinary recreational purpose, but for no other purpose whatsoever;
- (b) the right to moor floats upon the lake, drive stakes into the bed of the lake for mooring floats, beats and boat houses, and to build docks down to and into the lake waters, such docks, however, to be built only upon piling;

- (c) the right to remove from the land below the 545-foot contour line and from the bed of the lake all trees, standing or dead, brush and growth of every kind and character, on said land, rubbish, dead trunks, stumps and other refuse, and to dredge the bottom of the lake and dispose of all such removed material in any lawful manner;
- (d) the right to construct bridges over portions of said reservoir in order to gain access to the islands; provided, however, that in the construction of said bridges proper and adequate provisions shall be made for the flow of water under said bridges; provided, further, that no bridge shall be constructed without obtaining the prior written approval of Puget;

PROVIDED, that Grantee shall not exercise any of the privileges granted in the foregoing paragraphs (a), (b), (c) and (d) in such manner as to cause any injury or damage to Puget and Grantee shall not make any use of the lake which will prevent or hinder the full use of the waters of the lake by Puget for the operation of its White River generating plant or other uses incidental thereto, and there shall be no boating, swimming or other use of the waters inside the drift barrier maintained by Puget at the outlet gate, and every use which may be made of the water of the lake by Grantee or anyone pursuant to its permission shall be in full compliance with all laws of the State of Washington and the lawful regulations promulgated by the Department of Health of the State of Washington or any other governmental agency having jurisdiction thereof, and every person exercising any right hereunder shall do so at his own risk; provided, further, that the rights expressed in paragraph (a) shall be exercised by the Grantee in common with the employees of Puget and other persons who, with Puget's consent, may have occasion to enjoy the privileges of Puget's summer camp and picnic grounds located in the west half of the east half

of the northwest quarter of said Section 10.

Puget reserves the fee title to the bed of Lake Tapps and all land surrounding the shore of the lake and on the islands therein from the water line up to the 545-foot contour line and also reserves perpetually the following rights with respect to the land hereby conveyed, which rights shall belong exclusively to Puget, its successors and assigns:

- (a) to raise the water within said reservoir at any time and from time to time up to the elevation of 545 feet above sea level, and to draw it down to any level, and to use the waters thereof for the operation of its White River generating plant, and to abendon said storage reservoir at any time, all without any liability for the damage suffered by the Grantee, or anyone claiming through or under the Grantee;
- (b) to maintain, repair, renew and operate electric transmission and distribution lines wherever convenient for Puget upon all roads and roadways now existing or hereafter created or laid out in, through or across the said land, for the purpose of operating Puget's distribution system and rendering its utility service to the public, including the occupants of the land above described and also to use all such roads and roadways for access to Lake Tapps in order to maintain and operate said storage reservoir and the White River generating plant;
- (c) to dredge the lake bottom at any place at any time in order to increase the storage capacity of the lake.

Said property is hereby conveyed subject to the foregoing reservations and subject also to the following conditions, encumbrances and restrictions:

(a) mineral rights and reservation of right to acquire rights of way, etc. as provided by Sections 7873 and 8082 of

Remington's Revised Statutes of the State of Washington as to all shorelands of the second class owned by the State of Washington situate in front of, adjacent to or abutting upon Sections Eight (8), Nine (9), Sixteen (16) and Twenty-one (21), Township Twenty (20) North, Range Five (5) East, W.M., with a total frontage of 543.10 lineal chains, measured along the meander line according to a certified copy of the government field notes of the survey thereof on file in the office of the Commissioner of Public Lands at Olympia, Washington, as contained in deed from the State of Washington to Puget Sound Traction, Light & Power Company, a corporation, dated January 5, 1916, and recorded January 13, 1916, under Auditor's Fee No. 434339 in Book 399 of Deeds, at page 516, records of Pierce County, Washington.

- (b) reservation of so much of said lands as may be mineral lands or contain coal or iron, also the right to use surface lands and the right of access for the purpose of exploring and developing said minerals, as contained in deeds executed by Northern Pacific Railway Company, a corporation, recorded in Book 204 of Deeds, at page 50, under Auditor's Fee No. 156771, and in Book 17 of Deeds, at pages 435, 439 and 443, respectively, records of Pierce County, Washington; reference to which instruments is made for further particulars.
- (d) the rights of certain property owners in Section Four (4), Township Twenty (20) North and Section Thirty-two (32), Township Twenty-one (21) North, both in Range Five (5) East, W.M. to the continued flow of a quantity of water through the creek flowing across the Northeast Quarter (NEt) of the Northeast Cuarter (NEt) of Section Mine (9), Township Twenty (20) North, Range Five (5) East, W.M., which was the outlet of the original Lake Tapps, and the right of Puget to maintain and operate a valve at the outlet for the purpose of controlling such flow, as such

rights are set forth in those two certain agreements dated July 17, 1936, and October 19, 1936, recorded in the office of the County Auditor of Pierce County in Volume 566 of Deeds at page 485, and Volume 566 of Deeds at page 481, respectively;

- (d) that certain 300-foot right of way for electric transmission lines through Sections Eight (8) and Seventeen (17) in Township Twenty (20) North, Range Five (5) East, W.M., granted to Bonneville Power Administration by Puget by instrument dated March 6, 1942, and recorded in Volume 689 of Deeds at page 789, records of Pierce County;
 - (e) all public roads;
- (f) Orantee shall have no right to and shall not (1) place any structure upon any part of the land below the 545-foot contour line which will decrease the storage capacity of lake Tapps as it exists at the date hereof or which will prevent the use by Puget of its complete storage capacity by raising the level of the lake to the 545-foot contour line; (2) make any excavation or remove or disturb any of the soil either above or below the 545-foot contour line if such excavation, removal or disturbance would cause or tend to cause any flow or neepage from the lake, even if the lake should be raised to the 545-foot contour line; (3) cast any sewage, refuse, junk or other impure matter, into the lake or upon the land below the 545-foot contour line; (4) be a party to the vacation of any part of the public roads around Lake Tapps which are useful to Puget in the maintenance, repair or operation of said reservoir or the White River generating plant; (5) create any lien whatever upon the land lying below the 545-foot contour line by reason of any use it may make of such land.
 - (g) water, water rights and matters relating thereto.

All of the rights in favor of either party hereby created or reserved and all of the covenants, obligations and restrictions

set forth herein shall run with the land and with each and every part or parcel thereof and be binding upon all successors in interest of the Grantee; provided, however, that no successor in interest of the Grantee in any part or parcel of said property shall be liable by reason of the independent act of some other party constituting a breach of any covenant, obligation or restriction herein contained.

The elevation 545 feet above sea level shall be determined by reference to the bronze plaque embedded in the concrete floor of the gate house at the entrance to the tunnel leading from the westerly shore of the intake pond located in the Northwest Quarter (NWt) of Section Eight (8), Township Twenty (20) North, Range Pive (5) East, W.M., to the White River generating plant, which bronze plaque has engraved upon it the figures "544.75" and for the purpose of this deed it is understood that said plaque is placed at the elevation of 544.75 feet above sea level.

The perimeter hereinabove mentioned is particularly described as follows:

- Beginning at the SW corner of Section 4, Township 20 North, Range 5 East W.M.; running
- (2) Thence N along the W line of Section 4 to the SE corner of the NEt of the SEt of Section 5;
- (3) Thence W to the W line of the E¹/₂ of the NE¹/₄ of the SE¹/₄ of Section 5;
- (4) Thence N along said W line of the E1 of the NE1 of the SE1 of Section 5 to the east-west center line of Section 5;
- (5) Thence E along the east-west center line of Sections 5 and 4 to the Coby County Road;
- (6) Thence Southerly along the Coby County Road and southeasterly along the Dike Road of Puget Sound Power & Light Company to the intersection of the Dike Road with the N line of Section 9;
- (7) Thence E along the N line of Section 9 and the N line of Section 10 to the Wood Church Relocated County Road;
- (8) Thence Southeasterly along the Wood Church Relocated County Road to the E line of Section 10;
- (9) Thence S along the B line of Sections 10 and 15 to the quarter corner between Sections 14 and 15;
- (10) Thence E along the east-west center line of Section 14 a distance of 600 feet;
- (11) Thence Southeasterly in a straight line to the southeast corner of the NW¹/_k of the SW¹/_k of Section 14;
- (12) There E to the E line of the W¹/₂ of the W¹/₂ of the SE¹/₄ of the SW¹/₄ of Section 14;
- (13) Thence S along the B line of the War of the War of the SEL of the SWL of Section 14 to the S line of Section 14;
- (14) Thence W along the S line of Section 14 to the SW corner of the SE¹₄ of the SW¹₄ of Section 14;
- (15) Thence S along the north-south center line of the NWt of Section 23 to a point which is 416 feet N of the east-west center line of Section 23;
- (16) Thence Southeasterly in a straight line to a point on said east-west center line which is 416 feet E of the SE corner of the SW¹/₂ of the NW¹/₂ of Section 23;
- (17) Thence W to the SE corner of said SW_{k}^{1} of the RW_{k}^{1} of Section 23:

- (18) Thence S to the SE corner of the $NW_{\frac{1}{4}}$ of the $SW_{\frac{1}{4}}$ of Section 23:
- (19) Thence W to the SW corner of the NE¹/₄ of the SE¹/₄ of Section 22;
- (20) Thence S to a point on the E line of the SW¹/₄ of the SE¹/₄ of Section 22 which is 600 feet N of the S line of Section 22;
- (21) Thence Southeasterly in a straight line to a point on the S line of Section 22 which is 200 feet E of the SE corner of the SW¹₂ of the SE¹₂ of Section 22;
- (22) Thence E along the S line of Section 22 to the Y.M.C.A. County Road;
- (23) Thence Southerly along the Y.M.C.A. County Road and the Vandermark County Road through the NE¹/₄ of the NE¹/₄ of Section 27 to the S line;
- (24) Thence W to the NE corner of the SW¹/₄ of the NE¹/₄ of Section 27;
- (25) Thence S to the SE corner of the SW¹/₄ of the NE¹/₄ of Section 27;
- (26) Thence E to the E line of the $W_{\frac{1}{2}}$ of the $W_{\frac{1}{2}}$ of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 27;
- (27) Thence S along the E line of the W_2^1 of the W_2^1 of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 27 to the S line of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 27;
- (28) Thence W along the east-west center line of the SE_4^1 of . Section 27 to the north-south center line of the section;
- (29) Thence N along the north-south center line of Section 27 to the SE corner of the NE¹/_k of the SE¹/_k of the NN¹/_k of Section 27;
- (30) Thence W to the W line of the E½ of the NE½ of the SE½ of the NW½ of Section 27;
- (31) Thence N along said W line to the N line of the SEt of the NWt of Section 27;
- (32) Thence W to the NW corner of the SEt of the NWt of Section 27;
- (33) Thence S to the SE corner of the N\frac{1}{4} of the SW\frac{1}{4} of the SW\frac{1}{4} of Section 27;
- (34) Thence W to a point which is 100 feet E of the NW corner of the Eg of the SEg of the NW of the SW of Section 27;

- (35) Thence S 300 feet;
- (36) Thence W 100 feet to the W line of the E½ of the SE¼ of the NW¼ of the SW¼ of Section 27;
- (37) Thence S to the S line of the NW_{\pm}^{1} of the SW_{\pm}^{1} of Section 27;
- (38) Thence W to the SW corner of the SEt of the NWt of the SWt of Section 27;
- (39) Thence N to the NW corner of the SE¹₄ of the NW¹₄ of the SW¹₅ of Section 27;
- (40) Thence W to the SW corner of the N\frac{1}{2} of the NW\frac{1}{2} of the SW\frac{1}{2} of Section 27;
- (41) Thence N along the W line of Section 27 to a point which is 500 feet S of the NE corner of the SE¹/₄ of the NE¹/₄ of Section 28;
- (42) Thence Northwesterly to a point on the S line of the NEt of the NEt of Section 28 which is 150 feet W of the SE corner of the NEt of the NEt of Section 28;
- (43) Thence W to the W line of the E 660 feet of the NEt of the NEt of Section 28;
- (44) Thence N to the NW corner of the E 660 feet of the NEt of the NEt of Section 28;
- (45) Thence W on the S line of Section 21 to a point 800 feet W of the SE corner of Section 21;
- (46) Thence N parallel to the E line of Section 21 a distance of 450 feet;
- (47) Thence E parallel to the S line of Section 21 a distance of 800 feet to the E line of Section 21;
- (48) Thence N along the E line of Section 21 to a point 500 feet south of the NE corner of the SE of Section 21;
- (49) Thence Northwesterly to a point on the N line of the SE_u^1 of Section 21 350 feet W of the NE corner of said SE_u^1 ;
- (50) Thence W along the east-west center line of Section 21 to the W line of the E½ of the SW½ of the NE½ of Section 21;
- (51) Thence N along said W line to the NW corner of the E½ of the SW½ of the NE½ of Section 21;
- (52) Thence W to the SW corner of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 21:

- (53) Thence N to a point 700 feet S of the NE corner of the $NN_{\frac{1}{4}}$ of the $NN_{\frac{1}{4}}$ of Section 21;
- (54) Thence Northwesterly to a point on the N line of Section 21 which is 300 feet W of the NE corner of the NW of the NW of Section 21;
- (55) Thence W to the SW corner of Section 16;
- (56) Thence N along the section line to a point 800 feet S of the quarter corner on the E line of Section 17;
- (57) Thence W parallel to the east-west center line of Section 17 a distance of 1100 feet;
- (58) Thence N parallel to the E line of Section 17 a distance of 800 feet to the east-west center line of Section 17;
- (59) Thence W to the center of Section 17;
- (60) Thence N along the center line of Section 17 to the SE corner of the NE¹/₁ of the NE¹/₂ of the NW¹/₂ of Section 17;
- (61) Thence W to the SW corner of the NE¹/₄ of the NE¹/₄ of the NW¹/₄ of Section 17;
- (62) Thence N to the NW corner of the NE¹/_k of the NE¹/_k of the NW¹/_k of Section 17;
- (63) Thence W along the N line of Section 17 to the existing Church Lake North County Road;
- (64) Thence Northwesterly along the Church Lake North County Road to its intersection, in the SEt of the SWt of Section 8, with the Forest Canyon County Road running easterly;
- (65) Thence Easterly along the Forest Canyon County Road to the north-south center line of Section 8;
- (66) Thence N along the north-south center line of Section 8 to a point 100 feet S of the center line of Puget Sound Power & Light Company's intake canal;
- (67) Thence E parallel with the N line of Section 8 to the north-south center line of the NEt of Section 8;
- (68) Thence N to the NW corner of the NEt of the NEt of Section 8;
- (69) Thence E along the N line of Section 8 to the SW corner of Section 4, which is the true point of beginning of this perimeter description.

IN WITHESS WHIREOF, the Orantor has caused this instrument

to be executed, and its corporate seal to be hereto affixed, by its proper officers thereunto authorized this 22 day of June.

PUGET SOUND POWER & LIGHT COMPANY

Attest:

STATE OF WASHINGTON COUNTY OF KING

On this 11 day of June, 1954, before me, the undersigned, a Notary Public in and for the State of Washington, only commissioned and sworn, personally appeared FRANK McLAUGHLIN and WALTER S. ZACHARY, to be known to be the President and Assistant Secretary, respectively, of PUGET SOUND POWER & LIGHT COMPANY, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument and that the seal affixed is the corporate scal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Notary Public in and for the State of Washington, residing at Seattle.