JULIE RODEWALD

San Luis Obispo County -- Clerk/Recorder

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AMERICAN LAND CONSERVANCY 1388 Sutter Street, Suite 810 San Francisco, CA 94109 Attention: Ms. Harriet Burgess

AND WHEN RECORDED MAIL TO:

4009-1687885 (LB)

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DEED OF CONSERVATION EASEMENT AND AGREEMENT CONCERNING EASEMENT RIGHTS

RECITALS

A. Grantor is the sole owner in fee simple of certain real property consisting of approximately 81,777 acres, located in San Luis Obispo County, California, and described in **Exhibit A** attached hereto (the "Ranch"). Grantor intends to grant to Grantee a conservation easement over most of the Ranch (the "Easement Area"), as described in **Exhibit B** attached hereto, and illustrated in **Exhibit C** incorporated herein by this reference (the "Easement Area Map"). The Easement Area consists of approximately 80,000 acres of land, together with any improvements located within the Easement Area. The Ranch is located in northern San Luis Obispo County along the central California coast and extends from near the Monterey County line (on the north boundary) to just north of San Simeon Creek (on the south boundary), inland across much of the Santa Lucia range to well beyond the watershed divide of the Salinas River basin and to part of Lake Nacimiento. The Ranch surrounds Hearst-San Simeon State Historical Monument ("Hearst Castle"), which is listed in the National Register of Historic Places.

B. Grantee is a "qualified organization" as defined by Section 170(h)(3) of the Internal Revenue Code and is eligible to hold this Conservation

Easement pursuant to Section 815.3 of the California Civil Code. As certified by resolution of its governing body, Grantee accepts the responsibility of monitoring and enforcing the terms of this Conservation Easement and upholding its conservation purposes.

C. The grant of this Conservation Easement, including Grantor's exercise of rights as retained in the Conservation Easement, will further the purposes of several governmental conservation policies, including:

Section 815 of the California Civil Code, in which the California Legislature has declared: (1) that "the preservation of land in its natural, scenic, agricultural, historical, forested, or open-space condition is among the most important environmental assets of California"; and (2) that it is "in the public interest of this state to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations";

Section 51220 of the California Government Code, in which the California Legislature has declared that: (1) "in a rapidly urbanizing society agricultural lands have a definite public value as open space, and the preservation in agricultural production of such lands . . . constitutes an important physical, social, esthetic, and economic asset to existing or pending urban or metropolitan developments"; and (2) "land within a scenic highway corridor or wildlife habitat area ... has a value to the State because of its scenic beauty and its location adjacent to or within view of a State scenic highway or because it is of great importance as habitat for wildlife and contributes to the preservation or enhancement thereof."

Section 30001 of the Public Resources Code, in which the California Legislature has declared that: (1) "the California Coastal Zone is a distinct and valuable natural resource of vital and enduring interest to all the people and exists as a delicately balanced ecosystem"; (2) "the permanent protection of the state's natural and scenic resources is a paramount concern to present and future residents of the state and nation"; (3) "to promote the public safety, health, and welfare, and to protect public and private property, wildlife, marine fisheries, and other ocean resources, and the natural environment, it is necessary to protect the ecological balance of the coastal zone and prevent its deterioration and destruction"; and (4) "existing developed uses, and future developments that are carefully planned and developed consistent with the policies of this division, are essential to the economic and social well being of the people of this state and especially to working persons employed within the coastal zone."

Public Resources Code Section 30251, which provides that the "... scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance";

Water Code Section 79501 in which the people of California have declared that "it is necessary and in the public interest to protect, restore and acquire beaches and coastal uplands, wetlands and watershed lands ... to protect the quality of drinking water, to keep beaches and coastal waters safe from water pollution, and to provide the wildlife and plant habitat and riparian and wetland areas needed to support functioning coastal ... ecosystems for the benefit of the people of California."

The San Luis Obispo County Board of Supervisors resolution, dated January 7, 2003, which declares that "Hearst Ranch represents one of the most significant conservation opportunities in the nation — nearly 128 square miles of rugged shorelines, rolling grasslands, craggy peaks and classic California working cattle ranch landscape"; and

The Coastal Plan Policies set forth in the certified San Luis Obispo County Local Coastal Program, under the "Applicable Rules" as defined in Section 31, call for protection of visual and scenic resources, maintaining agricultural land for agricultural production and protecting environmentally sensitive habitats.

- D. The Easement Area possesses extraordinary ecological, agricultural, and scenic values (collectively, the "Conservation Values") that are of great importance to Grantor, Grantee, the people of the County of San Luis Obispo ("County") and the State of California, and visitors from across the United States of America. The Conservation Values include the following:
 - Productive, agriculturally viable, and well-managed rangeland, comprised of a variety of native perennial grasslands, Mediterranean grasslands and coastal prairie, as well as areas of prime farmland, cropland soils, and irrigated pastures of Local Potential and Local Importance as identified by the U.S. Department of Agriculture's Natural Resources Conservation Service and the California Department of Conservation;
 - One of the most remarkable and diverse assemblages of native plants, plant communities and natural habitats in all of California, including more than 1,000 plant and wildlife species at least 28 of which hold special status (federal or state endangered, threatened or rare) classification. In addition, at least 17 plants listed by the

California Native Plant Society are known to occur. Several species on the Easement Area exist nowhere else on earth. Cultural and archeological resources, coastal and interior habitats, and native plant and wildlife species, maintained in a large, contiguous and principally undeveloped landscape with connectivity providing wildlife corridors to other large natural open areas (including Los Padres National Forest, Fort Hunter Liggett, Camp Roberts, other open lands held by state and federal agencies and private parties and the Pacific Ocean); habitats represented within the Easement Area include: coastal creeks, streams, springs, wetlands, stock ponds, perennial grasslands, serpentine outcroppings and soils, dunes, maritime chaparral mosaics, coastal prairie, coastal bluff scrub, oak woodlands, oak savannas, riparian woodlands, sycamore woodlands and mixed and multiple species of evergreen forests; and

 Unsurpassed coastal scenic vistas, Santa Lucia Mountain views, and the historic working ranching landscape as viewed by millions of visitors along State Highway 1, a federally designated All-American Road, and from the Hearst Castle.

More specifically, the Conservation Values which will be protected under the provisions of this Conservation Easement include:

· Resources and Habitats

The Easement Area offers extraordinary resources on approximately 80,000 acres. Elevations on the Easement Area rise from sea level along the coastline to over 3,000 feet on some of the peaks along the ridgeline of the Santa Lucia Mountains. In addition to the sheer size of the Easement Area, the diverse topography and climate contribute to the vast and diverse number of species on the Easement Area. Plant and wildlife habitats and their approximate acreages within the Easement Area, which are more specifically described in the Baseline Conditions Report defined in Recital E below, include the following:

- 21 acres of wetlands
- 1 acre of freshwater marsh
- 24,000 acres of California grassland and coastal prairie
- 7,500 acres of coastal scrub communities
- 15,000 acres of chaparral communities
- 27,000 acres of coast live oak and other woodlands
- 1,400 acres of riparian woodland and riparian streams
- 5,500 acres of forests
- 100 acres of streambeds/floodplains
- More than 60 stock ponds
- 7 major watershed drainages

More than 1,000 plant and wildlife species have been identified on the Easement Area. Twenty-eight (28) plant and wildlife species hold special status (federal or state endangered, threatened or rare) classification, and an additional seventeen (17) plant species are listed by the California Native Plant Society are known to occur. Some of the rare species exist only on the Easement Area. The vast plant and wildlife species identified on the Easement Area include:

- · The golden eagle, a California species of special concern
- · The federally threatened California red-legged frog
- · The yellow-legged frog, a California species of special concern
- · The federally threatened steelhead
- · The federally threatened tidewater goby
- · The California newt, a California species of special concern
- · The State endangered Hearst's manzanita
- The State threatened Hearst's ceanothus
- The federally endangered Contra Costa goldfields
- · The State rare adobe sanicle
- · A vast array of wetlands plants

Many non-listed species of wildlife, including amphibians, reptiles, birds and mammals occur on the Easement Area. Some of the mammals include:

- · California black bears
- Zebras
- · Black tailed deer
- Roosevelt elk
- · Barbary sheep
- Sambar deer
- Bobcats
- Mountain lions
- Tahr goat

Visual Resources

The Easement Area possesses spectacular visual resources. The surrounding public resources further enhance the importance of the Easement Area's visual resources. The federally designated All-American Road and California Scenic Highway 1 (herein "State Highway 1") runs adjacent to the Easement Area and is a major scenic corridor that is used by approximately four million car trips per year. Further, the Easement Area surrounds the Hearst Castle, which is visited by approximately one million people each year.

Ecological Connectivity

The Easement Area has one of the most remarkable and diverse assemblages of native plants, plant communities, and natural habitats in California. Few, if any areas approach the Easement Area's diversity of species and vegetation types and some of the Easement Area's rare species do not occur elsewhere on earth. Because of the Easement Area's size and resources, it provides significant ecological connections to other parts of the State and to other nearby conservation efforts.

The Easement Area's vast grasslands, woodlands and forests, provide a critical link connecting migratory pathways and habitat corridors between Central and Southern California. The Easement Area provides a continuous habitat link to the Los Padres National Forest, Fort Hunter Liggett, and the Nacimiento and San Antonio watersheds.

In total, the Easement Area contains at least seven major watershed drainages covering a total of approximately 80,000 acres of the Central California coast and inland foothill region. This includes the San Carpoforo, Arroyo de la Cruz, Oak Knoll/Arroyo Laguna, Little Pico Creek, Pico Creek, Nacimiento, and the Little Burnett Creek/Tobacco Creek watersheds.

In addition, the Easement Area provides a logical link to other conservation efforts in the area including the addition of the Williams, Sur Sur Ranch and Baldwin properties to the Los Padres National Forest, to the north, the purchase of the East-West Ranch in Cambria and the Molinari, CT Ranch, Williams, Sea West, and Estero conservation acquisitions to the south. This Conservation Easement in connection with these other conservation efforts assists in the overall goal of protecting large areas of intact California native plant and animal habitats from Cayucos north to the Big Sur coast.

Because of the Easement Area's size and resources, this Conservation Easement provides a cumulative benefit by: (i) preventing fragmentation of resources both within the Easement Area and with respect to conservation areas to the north and south; and (ii) providing a conservation opportunity that cannot be matched by conservation of smaller properties on a piece-by-piece basis.

Historic Working Landscape

The Easement Area has operated as a cattle ranch since the mid-1800's. This Conservation Easement preserves the historic working landscape on the Easement Area, which includes the continuing ranch operations. In addition to providing a continued economic benefit by providing a foundation for jobs, taxes and agricultural production, the ranch operations are a critical component to protecting and maintaining the Easement Area's resources. Grassland and

coastal prairie areas along the terraces are in excellent condition due to the past good stewardship of the Ranch. As a result of the continued operations, the Easement Area will remain on the tax rolls and Easement Area maintenance costs will be privately funded.

- E. The Conservation Values of the Easement Area, and its current uses and existing state of improvement, are described in a "Baseline Conditions Report" dated as of the Effective Date, as defined in Section 37, consisting of maps, photographs, and other documents, and acknowledged by both Grantor and Grantee to be complete and accurate as of the Effective Date. Both Grantor and Grantee have copies of this Baseline Conditions Report. It will be used by the Grantor and Grantee as a resource tool to assist in monitoring and enforcing the terms of this Conservation Easement, including evaluating changes in the conditions and use of the Easement Area in relation to the conditions and use of the Easement Area as of the date of this Conservation Easement. This Baseline Conditions Report, however, is not intended to preclude the use of other evidence to establish the condition of the Easement Area as of the date of the conveyance of the Conservation Easement if there is a controversy over its thenexisting condition, nor is this report to be used to change or interfere with Grantor's exercise of its retained rights in accordance with the Conservation Easement.
- F. Grantor and Grantee recognize that the Conservation Values of the Easement Area exist today in large part because of the sound stewardship of Grantor and Grantor's predecessors. Both Grantor and the Grantee desire to maintain these Conservation Values in perpetuity, by the continuation and permitted evolution of Grantor's land use practices, including those practices relating to Grantor's livestock grazing, agricultural operations and other uses, in accordance with the terms and conditions of this Conservation Easement. Grantor intends, as owner of the Easement Area, to convey to Grantee the right to protect against impairment of the Conservation Values in perpetuity in accordance with the terms of this Conservation Easement.
- G. This Conservation Easement, conjunction with in conservation transactions involving the Ranch, eliminates current and future development rights with the exception of: (i) a small inn of no more than 100 new units and visitor serving uses to be located in Old San Simeon Village ("OSSV"). historically consistent with recently discovered Julia Morgan drawings; (ii) retained uses consistent with coastal agricultural zoning, including limited employee housing; (iii) limited industrial, recreational and commercial uses; and (iv) restricted homesite development rights for a maximum of 27 new owner The 27 new owner homesites would be located east of State Highway 1 and would be developed in accordance with criteria, including siting and access guidelines, designed to provide significant protection for sensitive environmental and cultural resources and the existing public viewshed from State Highway 1 and Hearst Castle. In defining Grantor's limited reserved rights for the

development of new homesites within the Easement Area, Grantor and Grantee have provided for clustering of Owner Homesites in Subsection 3(d) and Section 4 below, to minimize the potential impacts on the Conservation Values. Grantor and Grantee acknowledge that the clustering authorized in this Conservation Easement may not currently be allowed under the applicable Local Coastal Plan, but believe that clustering of the homesites as described in this Conservation Easement is superior, for the protection of the Conservation Values, to the siting of homesites without such clustering. Grantor and Grantee have endeavored to identify eligible homesites in accordance with criteria, including siting and access guidelines, designed to protect the Conservation Values, and especially the ecological values.

- H. This Conservation Easement provides appropriate mechanisms for ensuring in perpetuity against impairment of Conservation Values through collaboration between Grantor and Grantee in the development of a management plan for the Easement Area, Grantee's review and approval of proposed activities as specified herein, as well as for Grantee's monitoring and enforcement rights defined herein.
- I. This Conservation Easement is being granted in connection with other conservation transactions affecting the portion of the Ranch located on the west side of State Highway 1. Through this combination of conservation transactions, the entirety of the Ranch is being conserved in perpetuity as governed by the terms of these conservation transactions.
- J. Grantee has entered into Grant Agreement No. WC-4029JD with the California Wildlife Conservation Board ("WCB"), pursuant to which WCB provided funding for the acquisition of this Conservation Easement (the "WCB Grant Agreement"), a copy of which has been provided to Grantor. A notice of the WCB Grant Agreement is being recorded concurrently herewith. Grantor acknowledges that, in the event of a "Default" by Grantee under the WCB Grant Agreement, as that term is defined in the WCB Grant Agreement, WCB may elect to require Grantee to assign its interest under this Conservation Easement to a qualified entity; provided, that such assignment must be made in accordance with the provisions of Section 18 of this Conservation Easement. WCB is not a party to this Conservation Easement and Grantor is not granting any interest or rights to WCB by its conveyance of this Conservation Easement to Grantee, other than as expressly provided in Section 18 of this Conservation Easement.

DEED AND AGREEMENT

In consideration of the recitals set forth above, and of their mutual promises and covenants, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby grants and conveys to Grantee, its permitted successors and assigns, and Grantee hereby accepts, a perpetual "conservation easement" as defined by Section 815.1 of the Conservation Easement Act of 1979 (California Civil Code, Section 815 et seq.), of the nature and character described in this Conservation Easement, over the Easement Area.

1. Conservation Purpose. The purpose of this Conservation Easement is to achieve protection of the Conservation Values by sustaining in perpetuity a combination of agricultural operations and natural habitats within the Easement Area in accordance with the terms and conditions of this Conservation Easement (the "Conservation Purpose"). Consistent with the requirements set forth in Treasury Regulations §§ 1.170A-14(e)(1)-(2), no use or activity shall be permitted that would result in the impairment of Conservation Values protected by this Conservation Purpose.

The Parties agree that Grantor's retention of certain rights specified in this Conservation Easement, including specified agricultural, residential, recreational and commercial uses, is consistent with the Conservation Purpose, provided that those rights are exercised in accordance with this Conservation Easement. The Parties further agree that some intensification of the current agricultural uses, as hereinafter permitted, will serve to promote the continuing commercial viability of the agricultural uses of the Easement Area and thus assist in achieving the Conservation Purpose.

Under this Conservation Easement, "impairment" of Conservation Values means a material adverse change in Conservation Values. The consideration of actual and potential impacts of a particular activity or use on Conservation Values shall take into account the impacts of the activity or use in question as well as the cumulative impacts of other uses and activities on the Easement Area, except elements of nature, actions taken by Grantor under emergency conditions, and non-permitted acts of unrelated third parties, each as specifically described in Section 2, below. In every evaluation of whether impairment of Conservation Values has occurred or is threatened, both the magnitude and the duration of the actual or potential change(s) shall be considered.

2. **Prohibited Acts.** Grantor promises that it will not perform, or knowingly allow others to perform, any activity or use on the Easement Area in conflict with the covenants set out in this Conservation Easement. Grantor authorizes Grantee to enforce these covenants. Nothing in this Conservation Easement shall require Grantor to take any action to restore the condition of the Easement Area caused by (i) the elements of nature, which include, without limitation, fire, climatic change, flood, storm, earth movement, or natural

evolutionary changes in the condition of the Easement Area from that described in the Baseline Conditions Report; (ii) any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Easement Area or to any person resulting from such causes; or (iii) the non-permitted acts of unrelated third parties so long as Grantor has taken reasonable steps to control such acts. Grantor understands and agrees that nothing in this Conservation Easement relieves it of any obligation or restriction in relation to the development or use of the Easement Area imposed by law, including but not limited to local land use restrictions.

- 3. Construction of Buildings, Facilities and Other Structures. The construction or reconstruction of any building, facility or structure of any type, is prohibited except as such construction or reconstruction is permitted in accordance with the provisions of this Section 3 and Section 9. Concurrently with submitting any application to any regulatory agency(ies) for permits required for the construction of a building, facility, structure or land use authorized in this Section 3 or in Section 9, Grantor shall provide written notice to Grantee, accompanied by a copy of each such application.
- (a) Incidental Ranch Facilities. "Incidental Ranch Facilities" consist of fences, squeezes, loading chutes, holding fields, corrals, utilities (including gas, electrical and telecommunications), sewage disposal facilities and systems, and water distribution and irrigation facilities within the Easement Area supporting uses of or activities on the Easement Area authorized by this Conservation Easement. Incidental Ranch Facilities existing on the Effective Date, as defined in Section 37 below, may be repaired and replaced, with like facilities, at their existing locations, or removed, without having to seek permission from Grantee. New Incidental Ranch Facilities not existing on the Effective Date may be constructed, repaired and replaced within the Easement Area, without permission from Grantee; provided, that any such repair, replacement or construction of new Incidental Ranch Facilities is reasonably related to the permitted uses and activities in the Easement Area and does not impair Conservation Values.
- (b) Non-Residential Buildings, Structures and Other Facilities for Authorized Uses or Activities. Grantor may enlarge (by not more than a cumulative fifty percent (50%) in size per structure), repair and replace, with a like facility, any non-residential building and any other non-residential structure or facility, the use of which is authorized by Sections 9, 11 or 12, and is not covered by the provisions of Subsection 3(a), above (excluding the aircraft runway and associated structures, which are addressed below) existing on the Effective Date, at its existing location, without having to seek permission from Grantee; provided, that any enlargement, repair or replacement must be reasonably related to the permitted uses or activities in the Easement Area and must not impair Conservation Values. Before any other construction or enlargement greater than a cumulative fifty percent (50%) in size of any non-residential building or other

non-residential structure or facility (except those allowed by Subsection 3(a) or the first sentence of this Subsection 3(b)), Grantor must first obtain the written consent of Grantee, which consent shall be granted if Grantor demonstrates that the proposed construction or enlargement greater than fifty percent (50%) is in support of the permitted uses of the Easement Area, and will not impair Conservation Values. Enlargement shall be determined based upon the size of the structure on the Effective Date.

- (c) Existing Owner Dwellings and Accessory Structures. Grantor may enlarge (by not more than a cumulative fifty percent (50%) per structure over the square footage of the structure on the Effective Date), repair, and replace, with a like structure, any residential structure not used for employee housing ("Existing Owner Dwelling") and/or Existing Owner Dwelling accessory structure existing on the Effective Date, at its existing location, without having to seek permission from Grantee; provided, that any enlargement, repair or replacement must not impair Conservation Values. Before any enlargement or replacement greater than a cumulative fifty percent (50%) of any such structure, Grantor must first obtain the written consent of Grantee that the enlargement or replacement will not impair Conservation Values. Enlargement shall be determined based upon the size of the structure on the Effective Date.
- (d) New Owner Homesites. Grantor retains the right to locate and build one single family residence and accessory structures and facilities on each of a maximum of twenty-seven (27) new owner homesites ("Owner Homesites") in accordance with the criteria specified in **Exhlbit H**, attached hereto. In no event shall Grantor exceed the limit of twenty-seven (27) Owner Homesites.
- (e) New Employee Housing to Support Old San Simeon Village ("OSSV") Uses. Employee housing units to support a small inn of no more than 100 new units and visitor serving uses to be located in OSSV, which shall be consistent with recently discovered Julia Morgan drawings ("OSSV Uses"), will be limited to the number of units, if any, required by any regulatory agency as a condition of approval of development of any allowable OSSV Uses. All OSSV employee housing units shall be located within the Junge-OSSV Employee Housing Area shown on **Exhibit D-5**, incorporated herein by this reference. OSSV employee housing units shall comply with the Applicable Rules (as defined in Section 31) and may be either detached or attached (common wall). Grantor is allowed, but not required, without having to seek permission from Grantee, to annex the Junge-OSSV Employee Housing Area to the San Simeon Community Services District and to seek zoning changes and other regulatory approvals for the employee housing uses allowed within the Junge-OSSV Employee Housing Area.
- (f) <u>Signs</u>. No billboards shall be erected within the Easement Area. Signs denoting the names and addresses of residents on the Easement

Area, directional signage, signs denoting allowable business uses, signs describing other Grantor-permitted activities on the Easement Area, or signs used to control unauthorized entry or use of the Easement Area, are permitted. Grantee may install and maintain, at Grantee's sole cost and expense, signage within the Easement Area to indicate the participation of Grantee, the California Rangeland Trust, Grantor, and of any of Grantee's public or private funding sources in the acquisition and maintenance of the Conservation Easement; provided, that the size, location, number, text and design of any such sign shall be subject to the reasonable approval of Grantor; provided further, that Grantor agrees that the standard logos of the California Rangeland Trust, Grantee, and each agency of the State of California that has provided funding for Grantee's acquisition of the Conservation Easement, may be included on any such sign.

- (g) Aircraft Runway and Associated Structures. Grantor may maintain and replace, with facilities of like size and function at their existing locations, the existing aircraft runway and associated structures without having to seek permission from Grantee. Grantor may enlarge the existing runway or associated structures only with Grantee's advance written permission upon a showing to Grantee's reasonable satisfaction that the proposed enlargement will not impair Conservation Values. Grantor may relocate the existing runway or associated structures only with Grantee's advance written consent upon a showing that the need for relocation is caused by the elements of nature or actions of third parties beyond the control of Grantor and the relocation will not impair Conservation Values.
- 4. **Subdivision.** Except as provided in **Exhibit H**, Grantor shall not separately sell, transfer or subdivide (by legal or any other process) any portion of the Easement Area, including existing parcels for which certificates of compliance have been issued, separate from the balance of the Easement Area (collectively referred to herein as "Divide" or "Division"). Concurrently with submitting any application to any regulatory agency(les) for any Division, Grantor shall provide written notice to Grantee, accompanied by a copy of each such application.
- 5. **Development Rights.** Grantor hereby grants to Grantee all development rights, except retained development rights reserved to Grantor herein, that are now or hereafter allocated to, implied, reserved or inherent in the Easement Area, and the Parties agree that such development rights are terminated and extinguished. Except as specifically provided herein, the Easement Area may not be used for the purpose of calculating permissible development or lot yield of any other property.

6. Resource Stewardship.

- Range, Cropland and other Agricultural Management. Any (a) ranching, cropland, and other agricultural operation within the Easement Area shall be conducted in accordance with the Interim Management Criteria defined in Subsection 6(c) until completion of the Management Plan prepared pursuant to Subsection 6(c), after which all such operations shall be conducted in accordance with the Management Plan. The Management Plan shall include appropriate management objectives and practices as hereinafter described for soil and water conservation, erosion control, pest management (including use of herbicides, pesticides and biocides), nutrient management, water quality and habitat protection on the portions of the Easement Area used for range, cropland or other agricultural operations, including portions of the Easement Area used for roads or any other infrastructure serving any agricultural operations. Management Plan shall address water quantity and quality in the creeks, streams, lagoons, ponds and seeps in relation to all authorized uses on the Easement Area to guide Grantor's compliance with Section 12, below. The Management Plan shall also address qualifications of the management entity or entities responsible for the Common Management Program. Grantee recognize that changes in economic conditions, in weather cycles, in grazing technologies, and in conservation practices may dictate an evolution and adaptation in the management of the range and cropland resources of the Easement Area, consistent with the Conservation Purpose. The prescriptions for the management of range resources shall include, but not be limited to: (1) reasonable controls on the active introduction and spread caused by Grantor or Grantor's lessees, licensees, permittees or invitees of non-native exotic invasive plant species; (2) reasonable residual dry matter requirements, which shall vary according to slope, soil and precipitation conditions; and (3) reasonable practices which serve to balance continued agricultural uses with the protection of the other Conservation Values, including water quality and riparian habitat within the Easement Area.
- (b) Woodland Resource Management. Grantor's Management Plan, prepared pursuant to Subsection 6(c), shall promote reasonable practices which serve to balance continued agricultural uses with protection of the overall health of the Oak, Monterey Pine, Ponderosa Pine, Coulter Pine, Knobcone Pine, Santa Lucia Fir and Sargent Cypress tree resources within the Easement Area. Appropriate special restrictions on tree cutting, in addition to the following general restrictions, shall be determined in accordance with the planning process specified in Subsection 6(c), below. In addition to such special restrictions on tree cutting as are so determined, any and all tree cutting on the Easement Area shall be limited to such cutting as is reasonably necessary for the creation and maintenance of reasonable livestock movement corridors, to control insects and disease, to prevent personal injury and property damage, to salvage dead or dying trees, for fuel load management, and minor cutting to create space to reasonably accommodate allowed land uses under Grantor's retained rights.

Any wood salvaged in connection with such authorized tree cutting, and any downed wood, may be removed from the Easement Area or used within the Easement Area for authorized uses including firewood, other domestic or agricultural uses, and other Grantor retained rights within the Ranch, including construction and repair of permitted buildings, structures, trails, roads and fences.

Planning and Consultations. Within one year after the (c) Effective Date, Grantor shall submit a written management plan ("Management Plan") for Grantee's review and approval, which shall set forth an overview of the range, cropland and other agricultural resource and woodland resource management practices that Grantor intends to undertake. The Management Plan shall prescribe objectives and actions consistent with sustaining a combination of agricultural operations, natural resources and habitats within the portions of the Easement Area used for range, cropland or other agricultural operations. The Management Plan shall provide for a common management program ("Common Management Program") for the entire Easement Area and define the varying degrees of responsibility of the management entity or entities responsible for the Common Management Program. There shall be a single management entity for the entire Easement Area unless and until the Easement Area is Divided for the creation of the two (2) Owner Homesite Large Parcels, as provided in Subsection B (a) (1) (C) of Exhibit H; upon such Division, the management responsibilities under the Common Management Program may be divided between two management entities. With respect to the zone(s) encompassed within the Owner Homesites (as defined in Exhibit H of this Conservation Easement), the management responsibility shall either be performed by the Owner Homesite Large Parcel management entity(ies) or assigned to not more than one other management entity, such as a homeowners association, so that there shall at no time be more than three management entities ("Common Management Entity" or "Common Management Entities") responsible for implementation of the Common Management Program. Hearst Holdings, Inc. shall be the Common Management Entity for the entirety of the Easement Area until such time as one or more new Common Management Entitles is formed, as provided above, after which each such new Common Management Entity shall assume responsibilities of the Common Management Program with respect to the portions of the Easement Area under that Common Management Entity's purview. All portions of the Easement Area shall be managed as part of a single common ranch enterprise subject to the Common Management Program, unless and until the Easement Area is Divided into two Owner Homesite Large Parcels, in which event there may be two separate common ranch enterprises conducted within the Easement Area; provided, each common ranch enterprise shall continue to be managed in accordance with the Common Management Program (as so conducted, the "Authorized Common Ranch Operations"). Any improvements existing as of the Effective Date that remain located outside an Owner Homesite (even if located on an Owner Homesite Parcel (as defined in Exhibit H of this Conservation Easement)) shall

be managed as part of the Authorized Common Ranch Operations. Any improvement proposed to be constructed after the Effective Date outside the boundaries of an Owner Homesite (even if located on an Owner Homesite Parcel) must be reasonably related to the Authorized Common Ranch Operations and managed as part of the Authorized Common Ranch Operations. Upon conveyance of each parcel created by a Division authorized in Section B of Exhibit H. Grantor shall impose appropriate servitudes, as covenants running with the land pursuant to Section 1468 of the California Civil Code, for the benefit of all other portions of the Easement Area, to provide for the continued effective implementation of the Common Management Program. Management Program shall require that those portions of each Owner Homesite Parcel located outside of the Owner Homesite shall be managed as part of the Common Management Program by a Common Management Entity and not by the owner of the Owner Homesite Parcel. Grantor shall consult with Grantee in the course of Grantor's development of the Management Plan. Pending the completion and Grantee's approval of the Management Plan, Grantor shall manage the Easement Area in accordance with the provisions of the interim standards attached as Exhibit E ("Interim Management Criteria"). The only basis upon which Grantee may refuse to approve the Management Plan shall be Grantee's determination that the Management Plan is inconsistent with this Conservation Easement. As provided under the heading "Monitoring Practices" in Exhibit D to the WCB Grant Agreement, which exhibit is hereby incorporated by reference and made a part of this Agreement (the "Monitoring Protocol"), in connection with Grantee's monitoring Grantor and Grantee shall review the effectiveness of Grantor's ongoing management practices in achieving the Conservation Purpose and shall consult with respect to management adjustments and/or Management Plan modifications as appropriate. monitoring requirements and methodologies set forth in the Monitoring Protocol shall be re-evaluated and revised as appropriate in relation to changes in scientific understanding of stewardship practices and changes in available monitoring technologies. Grantee, however, agrees not to modify the Monitoring Protocol without the prior consent of WCB and the responsible Common Management Entity(les), which consent shall not be unreasonably withheld.

- 7. **Mining.** Exploration for, or the development, mining, removal or extraction of any soil, sand, gravel, rock, oil, gas, or any other mineral or non-mineral substance by any surface or subsurface mining or extraction method, is prohibited except as provided for in this Section 7.
- a) Oil and Natural Gas. The exploration for, or development and extraction of, oil and natural gas by any subsurface mining method is permitted only with the prior written permission of Grantee, upon a determination, based upon detailed plans submitted by Grantor, that (i) the impact of any such exploration, development and extraction will be limited and localized; (ii) such activities, including associated equipment, fixtures and improvements, if any, shall not be visible at any time from either Hearst Castle or State Highway 1; (iii) such activities will not disturb more than five (5) surface acres of the Easement

Area in total for the duration of this Conservation Easement; (iv) the activities will not be irremediably destructive of any significant conservation interests within the meaning of Treasury Regulation Section 1.170A-14(g)(4)(i) or its successor provision, if any; (v) the activities will be consistent with the Conservation Purpose; and (vi) the activities will not impair Conservation Values.

- b) <u>Transfer of Rights</u>. Except as provided in Subsection 7(a), above, Grantor shall not grant, transfer or otherwise convey any rights to any minerals, oil, gas or hydrocarbons, including without limitation the right to extract such items from the Easement Area, nor shall Grantor grant, transfer or otherwise convey any right to enter the surface of the Easement Area to extract such items from any other property.
- 8. Roads. Any road existing on the Effective Date and any new road approved and constructed as hereinafter provided, may be maintained, repaired, repayed, and rebuilt on the original alignment at Grantor's discretion without having to seek permission from Grantee. Existing roads are shown and described in the Baseline Conditions Report. Any new or relocated road may be constructed only with Grantee's advance written permission, which shall be provided upon Grantor's demonstration that the design and location of the proposed new or relocated road supports permitted uses and activities in the Easement Area and will not impair Conservation Values; provided, that in the case of a new or improved road required by any regulatory agency or reasonably necessary in order for Grantor to exercise a right retained by Grantor under this Conservation Easement. Grantee shall approve the proposed new road or a reasonable alternative route; provided, further, that Grantee shall not disapprove the paving of any approved road required by a regulatory agency to be paved or which provides access to or within an approved Owner Homesite Area. No road on the Easement Area that is unpayed on the Effective Date shall subsequently be paved without Grantee's advance written permission, which shall be provided upon Grantor's demonstration in accordance with the preceding requirements. Unpaved roads existing on the Effective Date may be relocated as unpaved roads as required by agricultural operations or other permitted activities or uses in the Easement Area; provided, that each abandoned road must be returned to agriculture or an unimproved natural condition. For purposes of this paragraph, "pave", "paved", or "paving" shall include any impermeable covering of the soil surface, including, but not limited to, concrete and asphalt. To the extent reasonably necessary, Grantor may apply a reasonable amount of gravel or red rock material, or other permeable surface to provide an all-weather surface for roads in the Easement Area, and such all-weather surfacing shall not be considered paving.

9. Reserved Agricultural Rights.

(a) Agricultural Uses. Grantor retains the right to use the Easement Area for Commercial Agriculture, as defined below, and to permit

others to use the Easement Area for Commercial Agriculture, in accordance with all applicable laws and regulations; provided, that such agricultural uses are conducted consistent with: (i) the Management Plan, prepared pursuant to Subsection 6(c), once that Management Plan has been approved by Grantee, and until then, the Interim Management Criteria (as defined in Subsection 6(a)), (ii) all other restrictions expressly set forth in this Conservation Easement, and (iii) the Conservation Purpose. As used herein, "Commercial Agriculture" shall mean: 1) soil cultivation and the raising and/or harvesting of any agricultural or horticultural commodity (including the raising, keeping, shearing, feeding, caring for, training, and management of animals) on the Easement Area; 2) the handling, processing, drying, packing, grading, storing or sale of any agricultural or horticultural commodity produced predominantly on the Easement Area; and other uses allowable or conditionally allowable respectively in the Agriculture -Prime Soils and Agriculture - Non-Prime Soils Land Use Categories for the Coastal Zone under the Applicable Rules as defined in Section 31 (i.e., uses which are categorized as A (allowable use), S (special use) or P (principally permitted) uses under Coastal Table "O", as set forth in Exhibit F-1 attached hereto), except such uses that are categorically prohibited by Exhibit F-2 attached hereto, subject to the restrictions set forth in this Section 9 and Exhibit F-2. Uses conditionally allowed pursuant to this Section 9 and Exhibit F-2 shall be subject to the applicable limitations and conditions contained in this Conservation Easement. Grantor may utilize motorized vehicles off-road in connection with commercial agricultural production activities to the extent reasonably related to the conduct of such activities; provided, that no such use shall impair Conservation Values.

Notwithstanding the foregoing, all cropland intensification shall be prohibited within the Easement Area, except in the areas identified on Exhibit D-6 (incorporated herein by this reference) ("Reserved Farmland Areas") which in the aggregate encompass three thousand (3,000) acres, including any areas within Owner Homesites or areas of the Ranch located outside of the Easement Area, of which not more than three hundred (300) acres may be planted in vineyards and not more than an additional three hundred (300) acres of the Reserved Farmland Areas may be planted in orchards. "Cropland Intensification" shall mean all irrigated and/or cultivated land used in Commercial Agriculture. Orchards and vineyards shall be located outside the viewshed from the current alignment of State Highway 1. Cropland intensification within the zone shown on Exhibit D-6 as "Restricted Viewshed Cropland Intensification Area" shall be limited to irrigated pasture (including growing alfalfa or other hay) and dry land farming uses in areas within that zone that are within the viewshed of State Highway 1. Grantor may propose to Grantee to modify the boundaries of the Reserved Farmland Areas; provided, any such modification must first be approved by Grantee based upon Grantee's reasonable determination that the modified Reserved Farmland Area will not impair Conservation Values; will not exceed the aggregate limit of three thousand (3,000) acres; and satisfies all of the following criteria: 1) is located on slope areas less than thirty percent (30%):

- 2) provides a level of protection comparable to that of the original Reserved Farmland Area in relation to setbacks from wetlands, riparian woodlands, oak woodlands, maritime chaparral, coastal prairie and viewshed; and 3) is comprised of one or more of the following: is historically farmed land; prime or suitable cropland soils as defined by the United States Department of Agriculture ("USDA") Natural Resource Conservation Service; Local Importance Farmland (as defined on the Effective Date by the California Department of Conservation), including non-irrigated prime and statewide land used for dryland wheat, barley, oats, and hayland; Local Potential Farmland (as defined on the Effective Date by the California Department of Conservation) containing prime or statewide soils which are presently not irrigated or cultivated. Cropland Intensification within any Reserved Farmland Area in accordance with this Subsection 9(a) is deemed to be consistent with the Conservation Purpose and to not impair Conservation Values.
- (b) Existing Employee Housing to Support Ranch Uses. Grantor may enlarge (by not more than a cumulative fifty percent (50%) per structure over the square footage of the structure on the Effective Date), repair, and replace, with a like structure, each employee housing unit existing on the Effective Date, at its existing location, without having to seek permission from Grantee; provided, that any enlargement, repair or replacement must not impair Conservation Values. Before any enlargement or replacement greater than a cumulative fifty percent (50%) of any such structure, Grantor must first obtain the written consent of Grantee that the enlargement or replacement will not impair Conservation Values.
- (c) New Employee Housing to Support Ranch Uses. Grantor is authorized to construct a net increase of ten (10) new ranch employee housing units over the number of ranch employee housing units on the Easement Area on the Effective Date without having to seek permission of Grantee, so long as Grantor satisfies the criteria of this subsection. In addition, Grantor retains the right, without seeking permission of Grantee, to construct an additional five (5) new ranch employee housing units to replace within the Easement Area employee housing units currently located on the Ranch but outside the Easement Area at Old San Simeon Village, so long as Grantor satisfies the criteria of this subsection. New ranch employee housing units shall comply with all applicable County codes and standards. New employee housing shall be located only in the zones shown on Exhibit D-4 (incorporated herein by this reference) ("Ranch Employee Housing Areas"). Any new employee housing unit constructed in the line of sight of any of the Protected Views, shall be Screened by existing topography, existing vegetation, and/or Landscaping as these terms are defined in Exhibit H. Each new employee housing unit shall be occupied only by the family of a bona fide employee of a Common Management Entity or the family of a bona fide employee of an owner or lessee of an Owner Homesite Large Parcel. No employee housing unit proposed to replace employee housing located within OSSV shall be considered authorized until written notification by Grantor to

Grantee of Grantor's intent to convert an existing employee housing unit within the OSSV to another use permitted by any conservation easement applicable to OSSV. Upon the occupation of such replacement employee housing unit, the corresponding employee housing unit within the OSSV shall be permanently converted to another such permitted use. Concurrently with submitting any application to regulatory agencies for permits for the construction of an employee housing unit authorized in this Subsection 9(c), Grantor shall provide written notice to Grantee, accompanied by a copy of each such application. The notice from Grantor will include a statement by Grantor certifying the need by the Common Management Entity or the owner or lessee of an Owner Homesite Large Parcel or Common Management Entity for the additional Ranch employee and satisfaction of the siting criteria of this subsection.

Storage and Disposal Areas. Permanent storing, dumping, or otherwise disposing of non-compostable refuse or trash is prohibited, except where such activities are both in compliance with all applicable laws and regulations and conducted at a Ranch Disposal Area specifically labeled as such on Exhibit D-7 (incorporated herein by this reference) ("Storage and Disposal Areas"). The release, storage, or disposal of any Hazardous Substance (as defined in Section 23 hereof) on or within the Easement Area (including air, soil, surface water and ground water) is prohibited, except that herbicides, pesticides and other biocides utilized on the Easement Area in accordance with Sections 6 and 23, and incidental amounts of gasoline and diesel fuel utilized in the authorized agricultural operations, may be stored within the Easement Area; provided that all such utilization and storage shall be in compliance with applicable health, safety, and Environmental Laws (as defined in Section 23 hereof). Grantor shall promptly provide Grantee with a copy of any written notice received by Grantor from any governmental agency or service of process by any third-party of any regulatory or judicial action based on asserted non-compliance with any such applicable legal requirement or based on any release or disposal of any Hazardous Substance on or within the Easement Area. The storage of abandoned automobiles, trucks, machinery, and equipment for a period greater than ninety (90) days is prohibited, except in compliance with all applicable laws and regulations in Storage Areas shown on Exhibit D-7. Storage Areas and Ranch Disposal Areas may be relocated only with Grantee's advance written permission upon Grantor's demonstration that relocation is reasonably necessary to carry out permitted uses and activities on the Ranch and the proposed relocated Storage Area or Ranch Disposal Area will not impair Conservation Values. Upon relocation, the former Storage Area or Ranch Disposal Area must be abandoned and the abandoned Storage Area or Ranch Disposal Area must be returned to another authorized use or an unimproved natural condition. This provision shall not affect Grantor's right to temporarily store materials for periods less than one hundred eighty (180) days; provided, that any such storage is in compliance with all applicable laws and regulations; provided further, such storage shall not be allowed to impair Conservation Values.

- 11. Restrictions on Uses Other Than Commercial Agriculture. All uses of the Easement Area other than Commercial Agriculture are prohibited, except as conditionally authorized in Exhibit F-2. All such conditionally authorized uses shall be conducted so as not to impair Conservation Values.
- 12. Water Rights. Grantor shall retain, maintain and preserve the right to develop and put to reasonable and beneficial use all water and water rights associated with the Easement Area, including surface and groundwater, so long as such use is consistent with maintaining adequate water supply and water quality so as not to impair Conservation Values. Grantor represents that the water and water rights associated with the Easement Area are and shall be sufficient to sustain present and future agricultural productivity, other retained rights and Conservation Values on the Easement Area. Grantor may transfer water or water rights from the Easement Area for use outside the Ranch only with the prior written permission of Grantee based upon determinations by Grantee that the transfer will not impair Conservation Values, particularly fish and wildlife, either at the time of transfer or following the exercise of other retained rights on the Easement Area. Grantor shall not otherwise transfer, encumber, lease, sell or separate any water or water rights from the Easement Area for use outside the Ranch.

At least ninety (90) days before Grantor submits an application for any regulatory approval for transfer of water or water rights for use outside the Ranch (or if no such approval is required, at least ninety (90) days before the proposed transfer), Grantor shall notify Grantee of, and request Grantee's permission for, the proposed transfer. Grantor shall provide to Grantee a copy of any application for regulatory approval to transfer water or water rights for use outside the Ranch at the time the application is filed. Any application to the State Water Resources Control Board, or its successor, for regulatory approval to transfer water or water rights for use outside the Ranch shall stipulate that the transfer will be limited by and subject to the terms of this Conservation Easement and that the State Water Resources Control Board, or its successor, shall have the right to reduce or curtail the authorized supply of transferred water as necessary so as not to impair Conservation Values. Without limiting the other obligations of Grantor, Grantor is to limit any transfer of water or water rights for use outside the Ranch so as not to impair Conservation Values, including maintaining minimum stream flow requirements set during any regulatory permit process.

The use of groundwater on the Easement Area shall be reasonable and beneficial, and consistent with water uses and water quality required so as not to impair Conservation Values. Groundwater well pumping by Grantor in and adjacent to the Easement Area shall be subject to a monitoring plan that is protective against impairment of Conservation Values. Any conjunctive use of ground water and surface water by Grantor shall be implemented in a manner that does not impair Conservation Values.

- 13. Commercial Feedlots Prohibited. The establishment or maintenance of a Commercial Feedlot, as defined below, is prohibited. For purposes of this Conservation Easement, "Commercial Feedlot" is defined as: (a) a permanently constructed confined area or facility which is used and maintained for purposes of engaging in the business of feeding livestock; and (b) which is not grazed or cropped annually. The term Commercial Feedlot shall not include the establishment, use or maintenance of corrals, holding pens or pastures.
- 14. Rights Retained by Grantor; Non-Profit Events. Except as expressly restricted or extinguished by the terms and conditions of this Conservation Easement, Grantor retains all ownership rights in the Easement Area and retains the right to perform any act not prohibited or limited by this Conservation Easement. Grantor's present uses in their current locations are deemed to be consistent with the terms of this Conservation Easement. Grantor's retained rights include, but are not limited to:
- (a) the right to exclude any member of the public from trespassing on the Easement Area;
- (b) the right to sell, encumber, or otherwise transfer the Easement Area or portions thereof, subject to the restrictions on Division set forth in Section 4, above, and **Exhibit H** to anyone Grantor chooses;
 - (c) the right to defend against actions of eminent domain;
- (d) the right to grant easements and other third-party authorizations for (i) the facilities and uses authorized in Section 3, Section 9, Section 11 and Section 12; (ii) rights of public access; and (iii) roads authorized pursuant to Section 8; provided, that, prior to the grant of any easement or any other third-party property interest pursuant to the reserved right retained in this Subsection 14(d), Grantor shall provide Grantee with actual written notice of such grant, including a copy of the granting instrument;
- (e) the right to grant additional conservation easement rights over the Easement Area, including rights of public access; provided, that (i) such additional conservation easement rights shall not conflict with any of Grantee's rights under this Conservation Easement; (ii) such additional conservation easement rights shall not allow any uses of the Easement Area that will impair Conservation Values; (iii) Grantor shall notify Grantee in writing at least ninety (90) days in advance of any proposed new grant of conservation easement over any portion of the Easement Area, which notice shall include the proposed grant of conservation easement; and (iv) no new grant of conservation easement shall result in Grantee's having to bear any additional obligation or cost under this Conservation Easement; and

- (f) without further permission from Grantee, Grantor may authorize relocation of the existing alignment of State Highway 1, or any portion thereof, inland of the existing alignment.
- (g) Grantor shall allow limited access to the Easement Area, other than any then-existing Owner Homesite(s) (as defined in **Exhibit H**), for purposes of holding four special, non-profit events per year, with such groups and functions to be selected by Grantor, and without any requirement for further permission from Grantee; *provided*, that such events shall not be allowed to impair Conservation Values; and, *further provided*, that such access shall be limited as prescribed by Grantor for such events, consistent with limits customarily prescribed by Grantor for such events prior to the Effective Date.

Grantor retains the obligation to ensure that third party uses of the Easement Area authorized by Grantor are in compliance with this Conservation Easement.

- 15. Responsibilities of Grantor and Grantee Not Affected. Other than as specified herein, this Conservation Easement is not intended to impose any legal or other responsibility on the Grantee, or in any way to affect any existing obligation of the Grantor as owner of the Easement Area. Among other things, this shall apply to:
- (a) <u>Taxes</u>. Grantor shall pay before delinquency all taxes, assessments, fees and charges of whatever description levied on or assessed against the Easement Area or the property underlying the Easement Area by competent authority, and Grantor shall promptly reimburse Grantee for any tax or assessment on the Conservation Easement that Grantee is required to pay; provided, that the preceding provisions shall be interpreted to not obligate Grantor to pay any capital gains tax owed by Grantee as a result of a voluntary or involuntary transfer by Grantee of its interests under this Conservation Easement.
- (b) <u>Upkeep and Maintenance</u>. Grantee shall have no obligation for the upkeep or maintenance of the Easement Area unless Grantor and Grantee mutually agree on cooperative programs and cost sharing for specific projects.

(c) <u>Liability and Indemnification</u>.

(1) Grantor shall and hereby agrees to hold harmless, indemnify, protect, and defend Grantee, its officers, directors, members, employees, contractors, legal representatives, agents, successors and assigns and each of them (collectively "Grantee Indemnified Parties") from and against all liabilities, penalties, costs, losses, orders, liens, damages, expenses, causes of action, claims, demands, or judgments, including without limitation reasonable attorneys' and experts' fees, arising from or in any way connected with: (a) injury

to or the death of any person, or physical damage to any property, resulting from any act, omission, condition or other matter related to or occurring on or about the Easement Area, regardless of cause, except to the extent caused by the negligence or willful misconduct of any of the Grantee Indemnified Parties; (b) a violation of, or other failure to comply with, any state, federal or local law, regulation or requirement, by Grantor, or any party other than one of the Grantee Indemnified Parties acting upon permission from Grantor, in any way affecting, involving or relating to the Easement Area, except to the extent caused by the negligence or willful misconduct of any of the Grantee Indemnified Parties; (c) the breach by Grantor of any of its obligations set forth in this Conservation Easement.

Granter shall hold harmless, indemnify, and defend Grantor and its officers, directors, employees, contractors, legal representatives, agents, heirs, personal representatives, successors and assigns, and each of them (collectively "Grantor Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims demands, or judgments, including without limitation, reasonable attorneys' and experts' fees, arising from or in any way connected with any injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Easement Area except to the extent caused by the negligence or willful misconduct of Grantor Indemnified Parties.

(d) <u>Insurance</u>.

Grantor shall maintain a comprehensive general (1) liability policy insuring against bodily injury and property damage on the Easement Area in the amount of not less than five million dollars (\$5,000,000), which amount shall be adjusted every five (5) years to reflect the percentage increase during the past five (5) years in the CPI (as defined below); provided. Grantor may self insure to the extent reasonably approved by Grantee. In the event of a transfer of an Owner Homesite Parcel, the transferee shall maintain a comprehensive general liability policy insuring against bodily injury and property damage on the Easement Area in the amount of not less than one million dollars (\$1,000,000), which amount shall be adjusted every five (5) years to reflect the percentage increase during the past five years in the CPI. The "CPI" means the United States Department of Labor's Bureau of Labor Statistics Consumer Price Index for all Urban Consumers (CPI-U, all items) (1982-84=100), or the successor of such index. Grantee shall be named an additional insured on the policy. The liability insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Grantee. Grantor waives all rights of subrogation against Grantee and its agents, representatives, officers, directors and employees for recovery of damages to the extent these damages are covered by insurance maintained pursuant to this Conservation Easement. Grantor shall furnish Grantee with certificate(s) of insurance,

executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth above. Such certificates shall provide for thirty (30) days written notice to Grantee prior to the cancellation or material change of any insurance referred to herein. Any failure of Grantee to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Grantee to identify a deficiency from evidence that is provided shall not be construed as a waiver of Grantor's obligation to maintain such insurance. The foregoing insurance requirements do not replace, waive, alter or limit the hold harmless or indemnification provisions of this Conservation Easement.

(2) Grantee shall maintain a comprehensive general liability policy insuring against bodily injury and property damage on the Easement Area in the amount of not less than one million dollars (\$1,000,000), which amount shall be adjusted every five (5) years to reflect the percentage increase during the past five (5) years in the CPI; provided, Grantee may self insure to the extent reasonably approved by Grantor. Grantor shall be named as an additional insured on the policy. The liability insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to Grantor. Grantee waives all rights of subrogation against Grantor and its agents, representatives, officers, directors and employees for recovery of damages to the extent these damages are covered by insurance maintained pursuant to this Conservation Easement. Grantee shall furnish Grantor with certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth above. Such certificates shall provide for thirty (30) days written notice to Grantor prior to the cancellation or material change of any insurance referred to herein. Any failure of Grantor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Grantor to identify a deficiency from evidence that is provided shall not be construed as a waiver of Grantee's obligation to maintain such insurance. The foregoing insurance requirements do not replace, waive, alter or limit the hold harmless or indemnification provisions of this Conservation Easement.

16. Easement Area Management and Issue Resolution.

(a) Right of Entry. Officers, directors and employees of Grantee, and Grantee's contractors approved by Grantor in Grantor's sole discretion ("Authorized Monitors") shall have the right to enter at least annually with two week's advance notice onto the Easement Area for purposes of monitoring compliance with the terms of this Conservation Easement in accordance with the Monitoring Protocol; provided, that entry by any contractor of Grantee shall be subject to Grantor's reasonable discretion exercised in relation to the contractor's professional credentials; provided, further, that entry by any contractor of Grantee who is also a government employee shall be subject to Grantor's sole discretion. Entry may be by up to four (4) Authorized Monitors for

up to eight (8) days per year (for an aggregate of up to 32 person days per year) for the Easement Area; provided, that if the Easement Area is Divided to create two (2) Owner Homesite Large Parcels, as provided in Section 4, above, and Exhibit H. these limitations shall apply collectively to both Owner Homesite Large Parcels; provided, further, that Grantee shall be allowed such additional entries as may be reasonably necessary in connection with (i) Grantee's review of any new proposed construction that is subject to a requirement for Grantee's prior review and approval under Section 3, above; (ii) any proposed change in the boundaries or location of an Owner Homesite or Homesite Improvement Area, pursuant to Subsection 3(d), above, and Exhibit H; (iii) confirmation that a proposed new Ranch employee housing unit meets the criteria set forth in Subsection 9(c), above; or (iv) any other activity that is subject to Grantee's approval or permission under this Conservation Easement. representatives shall have the right to accompany the Authorized Monitors. When Grantee has provided notice to Grantor of a circumstance that Grantee considers to be a bona-fide violation of this Conservation Easement, entry by Authorized Monitors for up to an additional four (4) days is allowed with as much advance written notice as is reasonable under the circumstances. In addition. Grantor shall allow access for independent audits of Grantee's monitoring and enforcement of this Conservation Easement in accordance with the Audit Policy and Procedures dated June 4, 2004, a copy of which is attached as Exhibit I. Any additional entry shall require advance written permission by Grantor. Grantee's monitoring and access activities shall not unreasonably interfere with normal operations on the Easement Area.

Issue Resolution. If either Party to this Conservation Easement (the "Non-Defaulting Party") determines that the other Party (the "Defaulting Party") is in violation of any term of this Conservation Easement or that a violation is threatened, the Non-Defaulting Party shall deliver written notice ("Default Notice") to the Defaulting Party of such violation. If any violation asserted in the Default Notice has resulted or threatens to result in impairment of Conservation Values, the Default Notice shall include a reasonably detailed written explanation of such asserted actual or threatened impairment of Conservation Values. Not later than fourteen (14) days after the delivery of such written notice, the Parties shall meet on site with an agreed upon Certified Rangeland Manager certified by the California-Pacific Section of the Society for Range Management pursuant to its Program for Certification of Professional Rangeland Managers as approved on June 3, 2004 ("Certified Rangeland Manager") or other expert, such as wildlife biologist, fisheries biologist, botanist or plant ecologist, duly qualified in the subject matter of the asserted violation ("Consulting Expert") to discuss the circumstances of the asserted violation and to attempt to agree on appropriate corrective action. The Parties shall share equally the costs of retaining the services of the agreed upon Consulting Expert for such discussion; provided, if the Parties are unable to agree on the selection of a Consulting Expert, each Party may retain the services of a private entity If the Parties are unable to agree expert at its own expense.

on appropriate corrective action, the Non-Defaulting Party shall deliver a further written notice to the Defaulting Party to demand particular corrective action to cure the violation. The Defaulting Party shall cure the violation within thirty (30) days after receipt of such further notice, or under circumstances where the violation cannot reasonably be cured within such thirty (30) day period, shall commence curing such violation as soon as possible within such thirty (30) day period and shall continue diligently to cure such violation until finally cured.

- (c) <u>Judicial Enforcement</u>. If the Defaulting Party fails to cure the violation within thirty (30) days after receipt of such further notice from the Non-Defaulting Party, or under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, fails to begin curing such violation within the thirty (30) day period, or fails to continue diligently to cure such violation until finally cured, the Non-Defaulting Party may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement.
- (d) <u>Expert Assistance</u>. The opinions of any Certified Rangeland Manager, or other Consulting Expert, if jointly engaged to assist the Parties in the resolution of any claim of impairment of Conservation Values, shall be admissible in any judicial proceedings conducted with respect to that asserted violation.
- (e) <u>Immediate Relief</u>. Notwithstanding any of the foregoing, if at any time an ongoing or imminent violation of the terms of this Conservation Easement could impair Conservation Values of the Easement Area and there is a showing that irreparable harm would result if Grantee were required to first complete the issue resolution process set forth in Subsections 16(b) and (c), above, Grantee may proceed immediately to seek an injunction to stop the violation, temporarily or permanently. Injunctive relief or other judicial relief will not be allowed to interfere with the rights of Grantor as reserved in this Conservation Easement.
- (f) Alternative and Cumulative Remedies. The remedies described in this Section 16 shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity. Furthermore, the provisions of California Civil Code Section 815 et seq. are incorporated herein by this reference and this Conservation Easement is made subject to all of the rights and remedies set forth therein. The prevailing Party shall be entitled to recover its costs incurred in any such enforcement effort, including reasonable attorneys', consultants' and experts' fees and costs. Notwithstanding the foregoing, to the maximum extent allowed by law, the issue resolution process provided for in Subsection 16(b) shall be followed.
- (g) <u>Grantee's Review Costs</u>. Grantor shall be solely responsible for bearing all reasonable costs and expenses, including reasonable attorneys' and consultants' fees and costs, of: (i) Grantee's review of any request by

Grantor for Grantee's approval of any development or other use of the Easement Area for which Grantee's discretionary approval is required under Sections 3, 4 or 7 through 11; and (ii) Grantee's participation in any regulatory proceeding in support of approval of development proposed in accordance with the provisions of Subsection 3(d) or Division of the Easement Area proposed in accordance with the provisions of Section 4 and **Exhibit H**.

17. Forbearance No Waiver. Forbearance by the Grantee or Grantor to exercise its respective rights under this Conservation Easement shall not be construed to be a waiver by the Grantee or Grantor of such term or of any subsequent breach of the same or any other term of this Conservation Easement. No delay or omission in the exercise of any right or remedy by Grantor or Grantee shall impair such right or remedy or be construed as a waiver.

18. Grantee Transfer of Conservation Easement.

(a) In the event that Grantee decides, or is required by WCB or any successor of WCB to the WCB Grant Agreement, to assign its interest under this Conservation Easement, Grantee shall provide Grantor with written notice of such intention or requirement and shall allow Grantor a period of one hundred eighty (180) days within which to designate an assignee that must: (a) be qualified to hold a conservation easement under Section 815.3 of the California Civil Code; (b) be a "qualified organization" as defined in Section 170(h)(3) of the U.S. Internal Revenue Code, 26 USC §170(h)(3); (c) not be an "Affiliate" (as defined below) of Grantor or any lessee of any portion of the Easement Area or any management entity responsible for the Common Management Program; (d) be willing and financially able to assume all of the responsibilities imposed on Grantee under this Conservation Easement including without limitation monitoring and enforcement; and (e) be willing and financially able to assume by written assignment the obligations and responsibilities imposed under the WCB Grant Agreement. As used in this Subsection 18(a), "Affiliate" means an entity which directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with another person or entity. The Parties intend that, in the selection of a transferee, preference be given to a qualified organization with an agricultural and rangeland conservation purpose as well as requisite experience in preserving and protecting the other Conservation Said organization should have a board, staff, or consultants with practical agricultural management experience. This Conservation Easement shall not be transferred by Grantee to any governmental entity or public agency without the consent of Grantor, which consent shall be in Grantor's sole discretion, except as otherwise provided below. In the events that (i) Grantor fails to designate a qualified assignee within the specified time, and (ii) Grantee is not then the American Land Conservancy ("ALC"), and (iii) Grantee is unable or unwilling to extend the time for Grantor's designation of an assignee, then Grantor may designate ALC as holder of the Conservation Easement, provided

ALC meets the preceding five qualifying criteria. In the events that at the end of the one hundred eighty (180)-day period either an assignment has not been made or Grantor has not petitioned a court of competent jurisdiction to transfer this Conservation Easement to an entity that meets the foregoing five designation criteria, WCB may petition a court of competent jurisdiction to transfer this Conservation Easement to any entity that meets all of the foregoing designation criteria. In the event such court is unable to identify such entity, the court shall transfer this Conservation Easement to WCB, or any successor of WCB to the WCB Grant Agreement. Grantor shall promptly proceed in accordance with Subsection 18(b), below, upon becoming aware that Grantee no longer exists or no longer qualifies to hold this Conservation Easement.

- If Grantee ever ceases to exist or no longer qualifies under (b) Section 170(h) of the U.S. Internal Revenue Code, or applicable state law, or no longer meets any of the five qualification criteria provided in Subsection 18(a), and at the occurrence of any such event Grantee is not ALC, then Grantor shall petition a court of competent jurisdiction to transfer this Conservation Easement to ALC as holder of the Conservation Easement; provided, that ALC meets each of the five qualifying criteria provided in Subsection 18(a). Upon ALC's acceptance of such assignment, any subsequent assignment by ALC shall be made in accordance with the provisions of Subsection 18(a), above. If ALC is the Grantee at the occurrence of the event which triggers this Subsection 18(b), or in the event ALC for any reason does not accept, or fails to qualify for, an assignment, then Grantor shall petition the court to transfer this Conservation Easement to an organization that meets all of the designation criteria specified in Subsection 18(a). In the event that the court is unable to identify such a transferee entity, the court shall transfer this Conservation Easement to WCB, or any then existing successor of WCB to the WCB Grant Agreement.
- (c) Grantor and Grantee, if Grantee remains in existence, shall consult with WCB in selecting any successor Grantee pursuant to the transferee qualification criteria set forth in Subsections 18(a) and (b), above, and the assignments of the Conservation Easement and the WCB Grant Agreement shall be subject to WCB's concurrence that the transferee meets the transferee qualification criteria; provided, that such concurrence shall not be unreasonably withheld or delayed. Any transfer of Grantee's interest under this Conservation Easement (except a transfer to WCB or its successor to the WCB Grant Agreement) shall be effected concurrently with the transferee's written assumption of the WCB Grant Agreement.

19. Grantor Transfer of the Easement Area.

(a) <u>Notification</u>. Any time the Easement Area, or any portion thereof, or any interest in any portion thereof, is transferred by the Grantor to any third party, the Grantor shall notify the Grantee in writing prior to the transfer, and the deed of conveyance or other transfer instrument shall expressly refer to this

Conservation Easement. Failure to notify Grantee or include the required reference to this Conservation Easement in the deed or other transfer instrument shall not affect the continuing validity and enforceability of this Conservation Easement.

- Transfer Fee. A transfer of the Easement Area or any (b) portion thereof will result in an additional burden on the monitoring and enforcement responsibilities of Grantee; therefore, in connection with any sale or other transfer of the Easement Area, or any portion thereof or interest therein (other than a transfer solely to change the method of holding title by the same Party or Parties, including but not limited to any affiliate of Hearst Holdings, Inc. and/or The Hearst Corporation, or where the transfer is not considered by the County Assessor as a change of ownership for property tax assessment purposes) there shall be paid to Grantee by the purchaser or transferee a transfer fee. The amount of the transfer fee in the event of a transfer of either the entire Easement Area or an Owner Homesite Large Parcel (as defined in Exhibit H) shall be equal to two tenths of one percent (.2%) of the Land Value. "Land Value" shall be the value of the land (without improvements) established by agreement of the Parties, or if there is no agreement, by the County Assessor upon reassessment of the land (not improvements) following the transfer. The amount of the transfer fee in the event of a transfer of an Owner Homesite Parcel, Headquarters Area parcel or Pico Area parcel (as defined in Exhibit H) shall be equal to two tenths of one percent (.2%) of the Land Value in the event of a transfer, not otherwise exempt from a transfer fee, to a current or future beneficiary of any shareholder of Hearst Holdings, Inc. and/or The Hearst Corporation, and four tenths of one percent (.4%) of the Land Value in the event of a transfer to any other party not otherwise exempt from a transfer fee.
- 20. Amendment of Conservation Easement. This Conservation Easement may be amended only with the written consent of Grantee and Grantor. Any such amendment shall be consistent with the Conservation Purpose and shall comply with § 170(h) of the U.S. Internal Revenue Code, California Civil Code §§ 815, et seq., and any regulations promulgated in accordance with those statutory provisions. Any such amendment shall also be consistent with California law governing conservation easements and shall not affect the perpetual duration of this Conservation Easement. All amendments shall refer to this Conservation Easement and shall be recorded in the official records of San Luis Obispo County.
- 21. **No Public Dedication or Public Access.** Nothing contained in this Conservation Easement shall be deemed to be a gift or dedication of any portion of the Easement Area for use by the general public. This instrument does not convey any general or specific right of access to the public.
- 22. Grantor's Title Warranty; No Prior Conservation Easements. Grantor represents and warrants that Grantor has good fee simple title to the

Easement Area, free from any and all liens or encumbrances except those liens and encumbrances shown in the preliminary title report provided to Grantee or otherwise disclosed to Grantee prior to recordation of this Conservation Easement. Grantor represents and warrants that the Easement Area is not subject to any other conservation easement.

23. Environmental Provisions.

(a) Grantee Not an Owner, Operator, or Responsible Party.

- (1) Notwithstanding any other provision herein to the contrary, the Parties do not intend this Conservation Easement to be construed such that it creates in or gives the Grantee:
- (A) the obligations or liability of an "owner" or "operator" as those words are defined and used in Environmental Laws, as defined below, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC section 9601 et seq. and hereinafter "CERCLA");
- (B) the obligations or liability of a person described in 42 USC section 9607(a)(3) or (4);
- (C) the obligations of a responsible person under any applicable Environmental Laws, as defined below;
- (D) the right to investigate and remediate any Hazardous Substances, as defined below, associated with the Easement Area; or
- (E) any control over Grantor's ability to investigate, remove, remediate, or otherwise clean up any Hazardous Substances associated with the Easement Area.
- (b) Environmental Liabilities and Indemnification. Grantor and Grantor's successors in interest shall indemnify, protect and defend with counsel acceptable to Grantee, and hold harmless the Grantee Indemnified Parties from and against any claims (including, without limitation, third party claims for personal injury or death, damage to property, or diminution in the value of property), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities (including sums paid in settlement of claims), remedial action, compliance requirements, enforcement and clean-up actions of any kind, interest or losses, attorneys' fees (including any fees and expenses incurred in enforcing this indemnity), consultant fees, and expert fees that arise directly or indirectly from or in connection with: (i) the claimed presence or Release (as defined below) of

any Hazardous Substance, affecting the air, soil, surface water or groundwater of or at the Easement Area; (ii) any violation or alleged violation of Environmental Law (as defined below) affecting the Easement Area, whether occurring prior to or during Grantor's ownership of the Easement Area and whether caused or permitted by Grantor or any person other than Grantor; or (iii) any claim or defense by Grantor or any third party that any of the Grantee Indemnified Parties is liable as an "owner" or "operator" of the Easement Area under any Environmental Law. The foregoing indemnity obligations shall not apply with respect to any Hazardous Substance released or deposited as a result of action by the Grantee Indemnified Parties on or about the Easement Area. The indemnity obligations of any successor in interest of Grantor pursuant to this Subsection 23(b) shall be limited to the portion of the Easement Area to which the successor takes title. Notwithstanding any statutory limitation otherwise applicable, the indemnity obligations of Grantor to the Grantee Indemnified Parties pursuant to this Subsection 23(b) shall continue after transfer to a successor in interest unless a written request for consent to assignment of such indemnity obligations to a successor in interest is approved by Grantee. In considering any such request, Grantee may take into account the financial capabilities of the successor in interest, without regard to any third party financial assurances. Grantee's consent to such assignment may be denied only if there is a commercially reasonable basis for such denial.

(c) <u>Definitions</u>.

- (1) The term "Environmental Law" shall include, but shall not be limited to, each statute named or referred to below, and all rules and regulations there under, and any other local, state and/or federal laws, ordinances, rules, regulations, orders and decrees, whether currently in existence or hereafter enacted, or common law, which govern (i) the existence, cleanup and/or remedy of contamination or pollution on property; (ii) the protection of the environment from soil, air or water contamination or pollution, or from spilled, deposited or otherwise emplaced contamination or pollution; (iii) the emission or discharge of Hazardous Substances into the environment; (iv) the control of Hazardous Substances; or (v) the use, generation, transport, treatment, removal or recovery of Hazardous Substances.
- (2) The term "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of any Hazardous Substance into the environment (including, without limitation, the continuing migration of Hazardous Substances into, onto or through the soil, surface water, or groundwater, and the abandonment or discarding of barrels, containers, and other receptacles containing any Hazardous Substance), whether or not caused by, contributed to, permitted by, acquiesced to or known to Grantor.

- The term "Hazardous Substance" shall mean (a) any (3) oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to the Easement Area or to persons on or about the Easement Area or (ii) cause the Easement Area to be in violation of any Environmental Law; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, and radon gas; (c) any chemical, material or substance defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances" or words of similar import under any applicable local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto, including CERCLA, 42 USC section 9601, et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC section 6901. et seq.; the Hazardous Materials Transportation Act. 49 USC section 1801. et seg.; the Federal Water Pollution Control Act, 33 USC section 1251, et seq.; the California Hazardous Waste Control Law ("HWCL"), Cal. Health & Safety Code section 25100, et seq., Hazardous Substance Account Act ("HSAA"), Cal. Health & Safety Code section 25300, et seg., the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), Cal. Water Code section 13000, et seq., the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65); Title 22 of the California Code of Regulations, Division 4, Chapter 30; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or may or could pose a hazard to the health and safety of the occupants of the Easement Area or the owners and/or occupants of property adjacent to or surrounding the Easement Area, or any other person coming upon the Easement Area or adjacent property; and (e) any other chemical, materials or substance which may or could pose a hazard to the environment.
- 24. Interpretation. This instrument shall be interpreted under the laws of the State of California, resolving any ambiguities and questions of the validity of specific provisions so as to give effect to its Conservation Purpose. If any provision of this Conservation Easement, or the application thereof to any person or circumstances, is found to be invalid, the remainder of the provisions of this Conservation Easement, or the application of such provisions to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected.
- 25. **Captions.** The captions in this Conservation Easement have been inserted solely for convenience of reference and are not a part of this Conservation Easement and shall have no effect upon its construction or interpretation.
- 26. **Perpetual Duration.** The easement created by this instrument shall be a servitude running with the land in perpetuity. Every provision, right and obligation of this Conservation Easement that applies to Grantor and Grantee

shall also apply to and be binding upon their respective agents, heirs, executors, administrators, successors and assigns.

27. **Notices.** Any notice, demand, request, consent, approval or communication that either Party desires or is required to give to the other shall be in writing and either served personally or sent by United States certified mail, return receipt requested, addressed as follows or such other address as either Party from time to time shall designate by written notice to the other.

To GRANTOR:

HEARST HOLDINGS, INC.

Attention: Stephen T. Hearst Vice President and Manager San Simeon Ranch Division 5 Third Street, Suite 200 San Francisco, CA 94103 Telephone: (415) 777-0600

Fax: (415) 543-3490

With a copy to:

Hearst Holdings, Inc.

Attention: General Counsel

959 8th Avenue New York, NY 10019

To GRANTEE:

AMERICAN LAND CONSERVANCY Attention: Ms. Harriet Burgess 1388 Sutter Street, Suite 810 San Francisco, CA 94109 Phone: (415) 749-3010 Fax: (415) 749-3011

- 28. Condemnation. If all or any part of the Easement Area is taken by exercise of the power of eminent domain, or acquired by purchase in lieu of condemnation, so as to terminate this Conservation Easement in whole or in part, Grantor and Grantee shall act jointly to recover the full value of their respective interests in the Easement Area so taken or purchased, and all direct or incidental damages resulting therefrom. If only a portion of the Easement Area is subject to such exercise of eminent domain, this Conservation Easement shall remain in effect as to all other portions of the Easement Area.
- 29. **Extinguishment.** If circumstances arise in the future that render the purpose of this Conservation Easement impossible to accomplish, this Conservation Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction, and the amount of the compensation to which Grantee shall be entitled from any sale, exchange, or involuntary conversion of all or any portion of the Easement Area subsequent to such termination or extinguishment, shall be determined, unless

otherwise provided by applicable Federal or California law at the time, in accordance with Section 30. Grantee shall use any proceeds received under the circumstances described in this paragraph in a manner consistent with the conservation purposes which are exemplified by this Conservation Easement.

- Valuation. This Conservation Easement constitutes a real property 30. For the purpose of Section 29, interest immediately vested in Grantee. Extinguishment, the Parties stipulate that this Conservation Easement has a fair market value determined by multiplying (a) the fair market value of the Easement Area (at the time of extinguishment) unencumbered by the Conservation Easement (minus any increase in value attributable to improvements made after the date of this Conservation Easement) by (b) the ratio of the fair market value of the Conservation Easement to the fair market value of the Easement Area. as of the Effective Date, unencumbered by the Conservation Easement. The values as of the Effective Date shall be those values used to calculate the deduction for federal income tax purposes allowable by reason of this Conservation Easement pursuant to Section 170(h) of the Internal Revenue Code of 1986, as amended. For the purposes of this paragraph, the ratio of the value of the Conservation Easement to the value of the Easement Area unencumbered by the Conservation Easement shall remain constant.
- Laws Currently in Effect. Except for the term "Applicable Rules", which is specifically defined below, all references in this Conservation Easement to statutes, regulations and other laws shall be deemed to refer to those statutes. regulations and laws currently in effect, or as amended (or any successor provision then applicable). The term "Applicable Rules" as used in this Conservation Easement is defined as the County and other regulatory requirements applicable to development within the Easement Area as of the Effective Date. In the event that the existing County and/or other applicable regulatory requirements are changed to become more restrictive, Grantee agrees that Grantor shall retain the right to request exceptions to or amendments to such changes from the regulatory agencies such that it can seek permits which comply with the Applicable Rules. In the event that the existing County and other applicable regulatory requirements are changed to become less restrictive, Grantor agrees that the Applicable Rules will nonetheless continue to apply to development within the Easement Area. The preceding definition of Applicable Rules shall not be deemed to prohibit Grantor from seeking zoning changes specifically contemplated in this Conservation Easement.
- 32. Entire Agreement. This instrument sets forth the entire agreement of the Parties with respect to the Easement Area and supersedes all prior discussions, negotiations, understandings or agreements relating to the Easement Area, all of which are herein merged.
- 33. **Counterparts.** The Parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by both Parties; each

counterpart shall be deemed an original instrument as against any Party who has signed it.

- 34. Attorneys' Fees. Should proceedings be brought to enforce or interpret any of the terms of this instrument, the prevailing Party in any such proceedings shall be entitled to recover from the non-prevailing Party its costs, including reasonable attorneys' fees and expert's fees.
- 35. **Permission.** Whenever permission, consent or approval ("Permission") is required pursuant to this Conservation Easement, such Permission shall be obtained in advance and in writing signed by the Party from whom Permission is to be obtained. Except as otherwise provided in this Conservation Easement, whether Permission should be granted or denied shall be determined based upon the purposes of this Conservation Easement, and shall not be unreasonably withheld, unless consent or permission is specified in the Conservation Easement as being within the sole discretion of a Party.
- 36. **Exhibits.** The following exhibits are incorporated herein by this reference:

Exhibit A:	Ranch Legal Description (attached)
Exhibit B:	Easement Area Legal Description (attached)
Exhibit C:	Easement Area Map (not attached)
Exhibit D-1-A:	Eligible Owner Homesite Areas: Overall Map (not attached)
Exhibit D-1-B:	Eligible Owner Homesites: Area #1 – Garcia (not attached)
Exhibit D-1-C:	Eligible Owner Homesites: Area #2 - Del Corral (not attached)
Exhibit D-1-D:	Eligible Owner Homesites: Area #3 – Laguna (not attached)
Exhibit D-1-E:	Eligible Owner Homesites: Area #4 – Marmolejo (not attached)
Exhibit D-1-F:	Eligible Owner Homesites: Area #5 - Pico (not attached)
Exhibit D-2:	Headquarters Area (not attached)
Exhibit D-3:	Pico Area (not attached)
Exhibit D-4:	Ranch Employee Housing Areas (not attached)
Exhibit D-5:	Junge-OSSV Employee Housing Area (not attached)
Exhibit D-6:	Reserved Farmland Areas (not attached)
Exhibit D-7:	Storage and Disposal Areas (not attached)

Interim Management Criteria (attached)

Additional Restrictions on Uses (attached)

Agriculture Zones (attached)

Castle Vantage Points (not attached)

Land Uses Allowable or Conditionally Allowable in Coastal

New Owner Homesite and Subdivision Criteria (attached)

Exhibit E:

Exhibit F-1:

Exhibit F-2:

Exhibit G:

Exhibit H:

Exhibit I:

California Rangeland Trust Audit Policy and Procedures (attached)

2/10/05

37. **Effective Date.** This Conservation Easement is effective as of the date of recordation in the Official Records of the County of San Luis Obispo ("Effective Date").

Agreed to and executed by:

HEARST HOLDINGS, INC., GRANTOR:

Bv:

Stephen T. Hearst

Vice President and Manager San Simeon Ranch Division

AMERICAN LAND CONSERVANCY,

Harriet Burgess

GRANTEE:

President

Durges 2/10/05

STATE OF CALIFORNIA)		
COUNTY OF SACRAMENTO)		
On February 10, 2005, before me, the undersigned, a notary public for the state, personally appeared <u>Stephen T. Hearst</u> , 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. KATHRYN A. HUSTREI COMM. # 1422553 COMM. # 1422553 SACRAMENTO COUNTY OF COMM. EXP. JUNE 12, 2007		
NOTARY SEAL		
STATE OF CALIFORNIA)		

STATE OF CALIFORNIA	}	
COUNTY OF SACRAMENTO	;	
On February 10, 2005, before me, the uncopersonally appeared Harrier But personally known to me - OR - proved to me on the basis of satisfic	vaess.	
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. Kathan A. Lust	KATHRYN A. HUSTREI COMM. 1 42253 COMM. 2 142253 COMM. EXP. JUNE 12, 2007	
Kathryn A. Hustrei	NOTADYOFAL	

NOTARY SEAL

EXHIBIT "A" RANCH LEGAL DESCRIPTION

PARCEL 1:

(Certificate of Compliance 2001-067946)

Government Lot 2 of Section 3, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 2:

(Certificate of Compliance 2001-067947)

Government Lots 2, 3 and 4 of Section 2; and Government Lot 1 of Section 3, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 3:

(Certificate of Compliance 2001-067948)

The Northwest Quarter of the Southeast Quarter, the Southwest Quarter of the Northeast Quarter, and the South half of the Northwest Quarter of Section 2, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 4:

(Certificate of Compliance 2001-067949)

The East half of the Southwest Quarter of Section 2, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 5:

(Certificate of Compliance 2001-067950)

The West half of the Northwest Quarter of Section 11; and the West half of the Southwest Quarter of Section 2, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

1/27/05

PAGE 1

RRM: N:\1995\95424 Hearst Ranch\Engineering\PRODUCT\TITLE RESEARCH\Conservation Easement\Tab 11-Exhibit A-Ranch Legal Description.doc

MAAS: 231718v1 - 2/2/05 & 2/10/05

PARCEL 6: (Certificate of Compliance 2001-067951)

The South half of the Southeast Quarter of Section 2; and the Northwest Quarter of the Northeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 11, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 7: (Certificate of Compliance 2001-067952)

The Southeast Quarter of the Northwest Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 8: (Certificate of Compliance 2001-067953)

The Southwest Quarter of the Northeast Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 9: (Certificate of Compliance 2001-067954)

The East half of the Northeast Quarter of Section 11; and the Southwest Quarter of the Northwest Quarter, and the Northwest Quarter of the Southwest Quarter of Section 12, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 10: (Certificate of Compliance 2001-067955)

The Northeast Quarter of the Southeast Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

1/27/05 PAGE 2

RRM: N:\1995\95424 Hearst Ranch\Engineering\PRODUCT\TITLE RESEARCH\Conservation Easemenf\Tab 11-Exhibit A-Ranch Legal Description.doc

MAAS: 231718v1 - 2/2/05 & 2/10/05

PARCEL 11: (Certificate of Compliance 2001-067956)

The North half of the Southwest Quarter and the Northwest Quarter of the Southeast Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 12: (Certificate of Compliance 2001-067957)

The Southwest Quarter of the Southwest Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 13: (Certificate of Compliance 2002-028672)

A portion of that real property situated in the County of San Luis Obispo, State of California, described in the deed recorded April 29, 1946 in the Office of the County Recorder of said County in Volume 399 of Official Records at Page 429, more particularly described as follows:

The Southeast Quarter of the Southeast Quarter in Section 10, the East half of the Northeast Quarter, and that portion of Lot 6 lying Northerly of the road as said road existed March 2, 1942 all in Section 15, Township 25 North, Range 6 East, Mount Diablo Base and Meridian in the County of San Luis Obispo, State of California.

PARCEL 14: (Certificate of Compliance 2002-028673)

A portion of that real property situated in the County of San Luis Obispo, State of California, described in the deed recorded April 29, 1946 in the Office of the County Recorder of said County in Volume 399 of Official Records at Page 429, more particularly described as follows:

The Northwest Quarter of the Northeast Quarter, the Northeast Quarter of the Northwest Quarter, Lots 2, 3, 4 and that portion of Lot 5 lying Northerly of the road as said road existed March 2, 1942 all in Section 15, Township 25 North, Range 6, Mount Diablo Base and Meridian in the County of San Luis Obispo, State of California.

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PARCEL 15: (Certificate of Compliance 2001-067958)

The Northwest Quarter of the Southwest Quarter of Fractional Section 14, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 16: (Certificate of Compliance 2001-067959)

The West half of the Northwest Quarter, the Southeast Quarter of the Northwest Quarter and the Northeast Quarter of the Southwest Quarter of Fractional Section 14, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 17: (Certificate of Compliance 2001-067960)

The West half of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter and the Northeast Quarter of the Northwest Quarter of Fractional Section 14, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 18: (Certificate of Compliance 2001-067961)

The South half of the Southeast Quarter, and the Southeast Quarter of the Southwest Quarter of Section 11; and the Northeast Quarter of the Northeast Quarter of Fractional Section 14, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 19: (Certificate of Compliance 2001-067962)

The Southeast Quarter, the Southeast Quarter of the Southwest Quarter, and Government Lot 1 of Fractional Section 14; and South half of the Southwest Quarter of Section 13, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 20: (Certificate of Compliance 2001-067963)

Government Lots 1 and 3, and the North half of the Northeast Quarter of Fractional Section 23, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 21: (Certificate of Compliance 2001-067964)

Government Lot 2 of Fractional Section 23, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 22: (Certificate of Compliance 2001-067965)

Government Lot 4 of Fractional Section 23, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 23: (Certificate of Compliance 2001-067966)

Government Lots 1 and 2, and the Southwest Quarter of the Southeast Quarter of Fractional Section 24; and Government Lot 1 of Fractional Section 25, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 24: (Certificate of Compliance 2001-067967)

The South half of the North half, the North half of the Southeast Quarter, the Southeast Quarter of the Southeast Quarter of the Southeast Quarter of Fractional Section 24, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 25: (Certificate of Compliance 2001-067968)

The North half of the Northeast Quarter and the North half of the Northwest Quarter of Fractional Section 24, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of 1/27/05

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San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 26: (Certificate of Compliance 2001-067969)

The North half of the Southwest Quarter and the West half of the Southeast Quarter of Section 13, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 27: (Certificate of Compliance 2001-067970)

The East half of the Southeast Quarter of Section 13, in Township 25 South, Range 6 East; Government Lots 3 and 4 of Section 18, in Township 25 South, Range 7 East; and Government Lots 1 and 2, the Southeast Quarter of the Northwest Quarter, and the Southwest Quarter of the Northeast Quarter of Section 19, in Township 25 South, Range 7 East, of the Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 28: (Certificate of Compliance 2001-067971)

The Southwest Quarter of the Northeast Quarter, South half of the Northwest Quarter, and the Northwest Quarter of the Northwest Quarter of Section 13, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 29: (Certificate of Compliance 2001-067972)

The Southeast Quarter of the Southeast Quarter of Section 12; and the North half of the Northeast Quarter and the Southeast Quarter of the Northeast Quarter of Section 13, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 30: (Certificate of Compliance 2001-067973)

All of the Southwest Quarter of the Southeast Quarter and all that part of the South half of the Southwest Quarter of Section 12 which lies East of the San Carpoforo Creek; and the Northeast 1/27/05

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Quarter of the Northwest Quarter of Section 13, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 31: (Certificate of Compliance 2001-067974)

All that part of the South half of the Southwest Quarter of Section 12 which lies West of the San Carpoforo Creek, in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 32: (Certificate of Compliance 2001-067975)

The Northeast Quarter of the Southwest Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 33: (Certificate of Compliance 2001-067976)

The Northeast Quarter of the Southeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 34: (Certificate of Compliance 2001-067977)

The South half of the Southeast Quarter of Section 1; and the East half of the Northeast Quarter of Section 12, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 35: (Certificate of Compliance 2001-067978)

The West half of the Northeast Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 36:

(Certificate of Compliance 2001-067979)

The Northwest Quarter of the Northwest Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 37:

(Certificate of Compliance 2001-067980)

The Northeast Quarter of the Northwest Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 38:

(Certificate of Compliance 2001-067981)

The Southeast Quarter of the Northwest Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 39:

(Certificate of Compliance 2001-067982)

The Southeast Quarter of the Southwest Quarter of Section 1, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 40:

(Certificate of Compliance 2001-067983)

The Northwest Quarter of the Southeast Quarter, and the Northeast Quarter of the Southeast Quarter of Section 1, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 41: (Certificate of Compliance 2001-067984)

The North half of the Southwest Quarter, and the Southwest Quarter of the Southwest Quarter of Section 1; and the Northeast Quarter of the Southeast Quarter of Section 2, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 42: (Certificate of Compliance 2001-067985)

Government Lot 1, and the Southeast Quarter of the Northeast Quarter of Section 2; and the South half of the Northwest Quarter of Section 1, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 43: (Certificate of Compliance 2001-067986)

Government Lots 1, 2, 3 and 4 of Section 1, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 44: (Certificate of Compliance 2001-067987)

South half of the Northeast Quarter of Section 1, in Township 25 South, Range 6 East; and Government Lots 4 and 5 and the Southeast Quarter of the Northwest Quarter of Section 6, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 45: (Certificate of Compliance 2001-067988)

Government Lot 6 of Section 6, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 46: (Certificate of Compliance 2001-067989)

Government Lot 7, and East half of the Southwest Quarter of Section 6; and of the Northeast Quarter of the Northwest Quarter of Section 7, all in Township 25 South, Range 7 East, Mount 1/27/05 PAGE 9

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Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 47: (Certificate of Compliance 2001-067990)

Government Lots 2 and 3, the Southwest Quarter of the Northeast Quarter, and the Northwest Quarter of the Southeast Quarter of Section 6, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 48: (Certificate of Compliance 2001-067991)

The Southwest Quarter of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 6, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 49: (Certificate of Compliance 2001-067992)

Government Lot 2, the Southeast Quarter of the Northwest Quarter, and the West half of the Northeast of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 50: (Certificate of Compliance 2001-067993)

Government Lot 1 of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 51: (Certificate of Compliance 2001-067994)

The Northeast Quarter of the Northeast Quarter of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 52: (Certificate of Compliance 2001-067995)

The Southeast Quarter of the Northeast Quarter, and the Northeast Quarter of the Southeast Quarter of Section 7; and the Southwest Quarter of the Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Fractional Section 8, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 53: (Certificate of Compliance 2001-067996)

The Northwest Quarter of the Southeast Quarter of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 54: (Certificate of Compliance 2001-067997)

Government Lots 3 and 4, and the Northeast Quarter of the Southwest Quarter of Section 7; and Government Lot 1 of Section 18, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 55: (Certificate of Compliance 2001-067998)

The Southwest Quarter of the Southeast Quarter, and the Southwest Quarter of Fractional Section 17; the West half of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter, the Northeast Quarter of the Northwest Quarter, the Southeast Quarter, and the East half of the Southwest Quarter of Section 18; and the Southeast Quarter of the Southwest Quarter Section 7, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 56: (Certificate of Compliance 2003-080699)

The Southwest Quarter of the Southeast Quarter of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 57: (Certificate of Compliance 2001-068000)

The Southeast Quarter of the Southeast Quarter of Section 7; the Southwest Quarter of the Southwest Quarter of the Northwest Quarter of the Northwest Quarter of Fraction Section 17; and the Northeast Quarter of the Northeast Quarter of Section 18, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 58: (Certificate of Compliance 2001-068001)

The Southeast Quarter of the Northwest Quarter of Section 18, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 59: (Certificate of Compliance 2001-068002)

Government Lot 2 of Section 18, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 60: (Certificate of Compliance 2001-068003)

The Northeast Quarter of the Northwest Quarter of Section 19, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 61: (Certificate of Compliance 2001-068004)

The East half of the Northeast Quarter, and the Northwest Quarter of the Northeast Quarter of Section 19; and Government Lots 2 and 3, the Southwest Quarter of the Northeast Quarter, the West half of the Northwest Quarter, and the Southeast Quarter of the Northwest Quarter of Fractional Section 20, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 62: (Certificate of Compliance 2001-068005)

The Southeast Quarter of Section 19; the Northwest Quarter of the Southeast Quarter, and the Southwest Quarter of Fractional Section 20; the Northwest Quarter of the Northwest Quarter of Fractional Section 30, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 63: (Certificate of Compliance 2001-068006)

Government Lots 3 and 4 and the Northeast Quarter of the Southwest Quarter of Section 19; and Government Lot 1 of Fractional Section 30, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 64: (Certificate of Compliance 2001-068007)

The Southeast Quarter of the Southwest Quarter of Section 19, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 65: (Certificate of Compliance 2001-068008)

Government Lot 2 of Fractional Section 30, Township 25 South, Range 7 East; and Government Lots 2 and 3 of Fractional Section 25, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 66: (Certificate of Compliance 2001-068009)

The East half of the Northwest Quarter, the Northwest Quarter of the Northeast Quarter, and Government Lot 3 of Fractional Section 30, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 67: (Certificate of Compliance 2001-068010)

The Southwest Quarter of the Northeast Quarter and the Northwest Quarter of the Southeast Quarter of Fractional Section 30, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 68: (Certificate of Compliance 2001-068011)

The Southwest Quarter of the Southwest Quarter of Fractional Section 29; Government Lots 4 and 5 of Fractional Section 30; Government Lot 1 being all of Fractional Section 31; and Government Lots 1 and 2 of Fractional Section 32, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 69: (Certificate of Compliance 2001-068012)

The Northeast Quarter of the Southeast Quarter, and the Southeast Quarter of the Northeast Quarter of Fractional Section 30, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 70: (Certificate of Compliance 2001-068013)

The Northeast Quarter of the Northwest Quarter, the South half of the Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Fractional Section 29, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 71: (Certificate of Compliance 2001-068014)

Government Lots 1, 2, 3 and 4 of Fractional Section 29, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 72: (Certificate of Compliance 2001-068015)

Government Lot 4 of Fractional Section 20, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 73: (Certificate of Compliance 2001-068016)

Government Lots 3 and 4 of Fractional Section 17; and Government Lot 1, the Northwest Quarter of the Northwest Quarter of the Northwest Quarter of Fractional Section 20, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 74: (Certificate of Compliance 2001-068017)

Government Lot 2, the South half of the Northwest Quarter and the Northeast Quarter of the Northwest Quarter of Fractional Section 17, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 75: (Certificate of Compliance 2001-068018)

The Southeast Quarter of the Southwest Quarter of Fractional Section 8, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 76: (Certificate of Compliance 2001-068019)

Government Lots 1, 2, 3 and 4, and the Northeast Quarter of the Southwest Quarter of Fractional Section 8; and Government Lot 1 of Fractional Section 17, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 77:

(Certificate of Compliance 2001-068020)

The Southeast Quarter of the Northwest Quarter of Fractional Section 8, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 78:

(Certificate of Compliance 2001-068021)

The Northwest Quarter of the Northwest Quarter, and the Northeast Quarter of the Northwest Quarter of Fractional Section 8, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 79:

(Certificate of Compliance 2001-068022)

The Southwest Quarter of the Southwest Quarter of Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 80:

(Certificate of Compliance 2001-068023)

Government Lot 10 of Fractional Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 81:

(Certificate of Compliance 2001-068024)

The Southwest Quarter of the Northwest Quarter, the Northwest Quarter of the Southwest Quarter, the Southeast Quarter of the Southwest Quarter, and Government Lot 9 of Fractional Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 82:

(Certificate of Compliance 2001-068025)

The Northeast Quarter of the Southeast Quarter of Section 6, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according 1/27/05 PAGE 16

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to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 83: (Certificate of Compliance 2001-068026)

Government Lots 3 and 4 of Fractional Section 5; and Government Lot 1, and the Southeast Quarter of the Northeast Quarter of Section 6, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 84: (Certificate of Compliance 2001-068027)

Government Lot 5 of Fractional Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 85: (Certificate of Compliance 2001-066537)

Government Lots 1, 2 and 6 of Fractional Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 86: (Certificate of Compliance 2001-066538)

Government Lot 4 and the South half of the Northwest Quarter of Fractional Section 4, and Government Lots 7 and 8 of Fractional Section 5, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 87: (Certificate of Compliance 2001-066539)

Government Lots 2 and 3 of Fractional Section 4, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 88: (Certificate of Compliance 2001-066540)

Government Lots 5 and 6, the Northeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Fractional Section 4, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 89: (Certificate of Compliance 2001-066541)

Government Lots 2, 3 and 4, the Southwest Quarter of the Northeast Quarter, the South half of the Northwest Quarter, the North half of the Southwest Quarter and the Northwest Quarter of the Southeast Quarter of Section 3; and Government Lot 1, the South half of the Northeast Quarter, the North half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 4, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 90: (Certificate of Compliance 2001-066542)

The South half of the Southwest Quarter of Section 3, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 91: (Certificate of Compliance 2001-066543)

The North half of the Northwest Quarter of Fractional Section 10, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 92: (Certificate of Compliance 2001-066544)

The Southwest Quarter of the Southeast Quarter of Section 3; and the Southeast Quarter of the Northwest Quarter, and the West half of the Northeast Quarter of Fractional Section 10, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 93: (Certificate of Compliance 2001-066545)

Government Lots 1, 2 and 3 of Fractional Section 9; Government Lots 1, 2, 3 and 4 and the Northwest Quarter of the Southeast Quarter of Fractional Section 10; Government Lot 1 being all of Fractional Section 15; and Government Lots 1, 2, 3 and 4 and the Northeast Quarter of the Northwest Quarter of Fractional Section 14, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 94: (Certificate of Compliance 2001-066546)

The Northeast Quarter of the Southwest Quarter, and the South half of the Southwest Quarter of Section 11, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 95: (Certificate of Compliance 2001-066547)

The West half of the Northwest Quarter, and the Northwest Quarter of the Southwest Quarter of Section 11; and the Northeast Quarter of the Southeast Quarter of Fractional Section 10, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 96: (Certificate of Compliance 2001-066548)

Government Lot 1, the Southeast Quarter of the Northeast Quarter, and the East half of the Southeast Quarter of Section 3; and the East half of the Northeast Quarter of Fractional Section 10, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 97: (Certificate of Compliance 2001-066549)

The Southwest Quarter of the Northwest Quarter and the West half of the Southwest Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 98:

(Certificate of Compliance 2001-066550)

Government Lot 4 of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 99:

(Certificate of Compliance 2001-066551)

Government Lot 3, the Southeast Quarter of the Northwest Quarter, and East half of the Southwest Quarter of Section 2; and the West half of the Northeast, the North half of the Southeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 11, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 100:

(Certificate of Compliance 2001-066552)

The Southeast Quarter of the Northwest Quarter of Section 11, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 101:

(Certificate of Compliance 2001-066553)

The South half of the Southeast Quarter of Section 11, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 102:

(Certificate of Compliance 2001-066554)

The Northwest Quarter of the Northeast Quarter of Fractional Section 14, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 103: (Certificate of Compliance 2001-066555)

The East half of the Northeast Quarter of Fractional Section 14, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 104: (Certificate of Compliance 2001-066556)

The Northwest Quarter of the Southwest Quarter of Fractional Section 13, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 105: (Certificate of Compliance 2001-066557)

Government Lot 1 of Fractional Section 13, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 106: (Certificate of Compliance 2001-066558)

The Northwest Quarter, the Northwest Quarter of the Northeast Quarter, the South half of the Northeast Quarter, the Southeast Quarter, the Northeast Quarter of the Southwest Quarter, and Government Lot 2 of Fractional Section 13; and Government Lot 1, and the North half of the Northeast Quarter of Fractional Section 24, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 107: (Certificate of Compliance 2001-066559)

The Southwest Quarter of Section 12, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 108: (Certificate of Compliance 2001-066560)

The South half of the Northwest Quarter and the Southwest Quarter of the Northeast Quarter of Section 12, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of 1/27/05

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San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 109: (Certificate of Compliance 2001-066561)

The East half of the Northeast Quarter of Section 11; and the Northwest Quarter of the Northwest Quarter of Section 12, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 110: (Certificate of Compliance 2001-066562)

Government Lot 2, the Southwest Quarter of the Northeast Quarter, and the West half of the Southeast Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 111: (Certificate of Compliance 2001-066563)

The Southeast Quarter of the Southeast Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 112: (Certificate of Compliance 2001-066564)

The Northeast Quarter of the Southeast Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 113: (Certificate of Compliance 2001-066565)

The Southeast Quarter of the Northeast Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 114:

(Certificate of Compliance 2001-066566)

Government Lot 1 of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 115:

(Certificate of Compliance 2001-066567)

Government Lot 4 of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 116:

(Certificate of Compliance 2001-066568)

The Southwest Quarter of the Northwest Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 117:

(Certificate of Compliance 2001-066569)

The Northwest Quarter of the Southwest Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 118:

(Certificate of Compliance 2001-066570)

The South half of the Southwest Quarter of Section 1; and the Northeast Quarter of the Northwest Quarter and the Northwest Quarter of the Northeast Quarter of Section 12, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 119:

(Certificate of Compliance 2001-066571)

The Southwest Quarter of the Northeast, the West half of the Southeast Quarter and the Northeast Quarter of the Southwest Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official

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Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 120: (Certificate of Compliance 2001-066572)

The Southeast Quarter of the Northwest Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 121: (Certificate of Compliance 2001-066573)

The Northeast Quarter of the Southeast Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 122: (Certificate of Compliance 2001-066574)

The Southeast Quarter of the Southeast Quarter of Section 1; and the East half of the Northeast Quarter of Section 12, all in Township 25 South, Range 7 East; and Government Lot 18 of Section 6, in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 123: (Certificate of Compliance 2001-066575)

Government Lots 4, 5, 6, 10, 11, 12, 13, 14, 15 and 17, the Northeast Quarter of the Southwest Quarter and the North half of the Southeast Quarter of Section 6, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 124: (Certificate of Compliance 2001-066576)

Government Lots 2, 3, and 7 of Section 6, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 125: (Certificate of Compliance 2001-066577)

Government Lots 1 and 8 of Section 6, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 126: (Certificate of Compliance 2001-066578)

Government Lots 7, 8, 9 and 10 and the West half of Lot 4, the West half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 5; and Government Lot 9 in Section 6; the Northeast Quarter of the Northeast Quarter of Section 8; and the North half of the Northwest Quarter of Section 9, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 127: (Certificate of Compliance 2001-066579)

Government Lots 3, 4, 5 and 8 and the West half of Lot 7, the Southwest Quarter and the West half of the Southeast Quarter of Section 4; and Government Lots 1, 2, 3, 5, 6 and the East half of Lot 4, and the Northeast Quarter of the Southeast Quarter of Section 5, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 128: (Certificate of Compliance 2001-066580)

Government Lot 12 of Section 5, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 129: (Certificate of Compliance 2001-066581)

Government Lots 11, 13 and 14 of Section 5; Government Lot 16 of Section 6; and the West half of the Northeast Quarter, the East half of the Northwest Quarter, the Northwest Quarter of the Northwest Quarter, and the Northeast Quarter of the Southwest Quarter of Section 8, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 130: (Certificate of Compliance 2001-066582)

The Southwest Quarter of the Northeast Quarter, and the Northwest Quarter of the Northeast Quarter of Section 7; and the Southwest Quarter of the Southwest Quarter and the Southeast Quarter of the Southwest Quarter of Section 6, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 131: (Certificate of Compliance 2001-066583)

The North half of the Southeast Quarter, and the Southwest Quarter of the Southeast Quarter of Section 12, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 132: (Certificate of Compliance 2001-066584)

The Southeast Quarter of the Southeast Quarter of Section 12; and the Northeast Quarter of the Northeast Quarter of Fractional Section 13, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 133: (Certificate of Compliance 2001-066585)

Government Lots 9, 10, 11 and 12 of Section 7; and Government Lots 3, 4, 5, 6 and 7 of Section 18, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 134: (Certificate of Compliance 2001-066586)

Government Lot 1 of Section 18, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 135: (Certificate of Compliance 2001-066587)

Government Lot 2 of Fractional Section 24, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat 1/27/05

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of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 136: (Certificate of Compliance 2001-066588)

The Southeast Quarter of the Northeast Quarter of Fractional Section 24, in Township 25 South, Range 7 East; and Government Lot 2 of Section 18; and Government Lots 1 and 2 of Fractional Section 19, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 137: (Certificate of Compliance 2001-066589)

The Southwest Quarter of the Southeast Quarter of Section 18, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 138: (Certificate of Compliance 2001-066590)

The East half of the Southwest Quarter of Section 18; and the Northeast Quarter of the Northwest Quarter and the Northwest Quarter of the Northeast Quarter of Section 19, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 139: (Certificate of Compliance 2001-066591)

The Southwest Quarter, and the Southwest Quarter of the Southeast Quarter of Section 17; and the North half of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter of Section 18, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 140: (Certificate of Compliance 2001-066592)

The Northeast Quarter of the Northeast Quarter of Section 19; and the North half of the Northwest Quarter and the Southeast Quarter of the Northwest Quarter of Section 20, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 141: (Certificate of Compliance 2001-066593)

The Southeast Quarter of the Southeast Quarter of Section 17, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 142: (Certificate of Compliance 2001-066594)

The Southwest Quarter, the West half of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 143: (Certificate of Compliance 2001-066595)

The Northwest Quarter of the Northwest Quarter of Section 21, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 144: (Certificate of Compliance 2001-066596)

The North half of the Northeast Quarter, the East half of the Northwest Quarter of Section 21, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 145: (Certificate of Compliance 2001-066597)

The South half of the Northeast Quarter of Section 21, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 146: (Certificate of Compliance 2001-066598)

The West half of the Southeast Quarter of Section 21, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 147: (Certificate of Compliance 2001-066599)

The West half of the Northwest Quarter, and the Northwest Quarter of the Southwest Quarter of Section 22; and the Northeast of the Southeast Quarter of Section 21, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 148: (Certificate of Compliance 2001-066600)

The Southeast Quarter of the Southeast Quarter of Section 21; the South half of the Southwest Quarter, the Northeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Section 22; the North half of the Northwest Quarter of Section 27; and the Northeast Quarter of the Northeast Quarter of Section 28, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 149: (Certificate of Compliance 2001-066601)

The Southwest Quarter of the Northwest Quarter of Section 27; and the Southeast Quarter of the Northwest Quarter, the West half of the Northeast Quarter, and the Southeast Quarter of the Northeast Quarter of Section 28, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 150: (Certificate of Compliance 2001-066602)

The North half of the Southwest Quarter of Section 28; and the North half of the Southeast Quarter of Section 29; all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 151: (Certificate of Compliance 2001-066603)

The Southeast Quarter of the Northeast Quarter, the West half of the Northeast Quarter, and Government Lots 1 and 2 of Section 29; and the Northeast Quarter of the Northeast Quarter of Fractional Section 30, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 152: (Certificate of Compliance 2001-066604)

The Northeast Quarter of the Northeast Quarter of Section 29, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 153: (Certificate of Compliance 2001-066605)

The Northeast Quarter, the Southeast Quarter of the Northwest Quarter, the North half of the Southwest Quarter, and the West half of the Southeast Quarter of Section 27; and the North half of the Southeast Quarter of Section 34; and the Northwest Quarter of the Northwest Quarter of Section 35, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 154: (Certificate of Compliance 2001-066606)

The South half of the Southeast Quarter of Section 28, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 155: (Certificate of Compliance 2001-066607)

The Southeast Quarter of the Southwest Quarter of Section 28, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 156: (Certificate of Compliance 2001-066608)

The Southwest Quarter of the Southwest Quarter of Section 28; the Southeast Quarter of the Southeast Quarter of Section 29; the Northwest Quarter of the Northwest Quarter of Section 33; and the Northeast Quarter of the Northeast Quarter of Section 32, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 157: (Certificate of Compliance 2001-066609)

The Northeast Quarter of the Northwest Quarter of Section 33, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 158: (Certificate of Compliance 2001-066610)

The Northwest Quarter of the Northeast Quarter of Section 33, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 159: (Certificate of Compliance 2001-066611)

The Northeast Quarter of the Northeast Quarter of Section 33; and the West half of the Northwest Quarter of Section 34, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 160: (Certificate of Compliance 2001-068028)

The Southeast Quarter of the Northeast Quarter of the Northeast Quarter of the Southeast Quarter of Fractional Section 32; and the Southwest Quarter of the Northeast Quarter, the West half of the Southeast Quarter, the South half of the Northwest Quarter, and the Southwest Quarter of Section 33, all in Township 25 South, Range 8 East, together with Government Lots 3, 4, 5, 7 and 8 and the Southwest Quarter of the Southeast Quarter of Fractional Section 4, Township 26 South, Range 8 East; and Government Lots 1 and 2 of Fractional Section 5, in Township 26 South, Range 8 East, 1/27/05

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Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 161: (Certificate of Compliance 2001-066612)

Government Lots 1, 2 and 3 of Fractional Section 32, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 162: (Certificate of Compliance 2001-066613)

INTENTIONALLY OMITTED

PARCEL 163: (Certificate of Compliance 2001-066614)

The Southeast Quarter of the Northeast Quarter and the East half of the Southeast Quarter of Section 33; and the Southeast Quarter of the Northwest Quarter and the East half of the Southwest Quarter of Section 35, all in Township 25 South, together with Government Lots 3 and 4, and the North half of the Southwest Quarter and the Southwest Quarter of the Southwest Quarter of Section 2, Township 26 South; Government Lot 1, the North half of the Southeast Quarter, and the North half of the Southwest Quarter of Section 3, Township 26 South; and Government Lots 1 and 2 and the Northeast Quarter of the Southeast Quarter of Section 4, in Township 26 South, all in Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 164: (Certificate of Compliance 2001-068029)

The Southwest Quarter of the Southwest Quarter of Section 3; The Southeast Quarter of the Southeast Quarter of Fractional Section 4; and the East half of the Northeast Quarter of Fractional Section 9, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 165:

(Certificate of Compliance 2001-068030)

Government Lots 1, 2, 3 and 4 and the Northwest Quarter of the Northeast Quarter of Fractional Section 9, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 166:

(Certificate of Compliance 2001-068031)

The South half of the Northwest Quarter, and the North half of the Southwest Quarter of Section 10, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 167:

(Certificate of Compliance 2001-066615)

The West half of the Northeast Quarter and the North half of the Northwest Quarter of Section 10, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 168:

(Intentionally Omitted)

PARCEL 169:

(Certificate of Compliance 2001-066617)

Government Lot 5 of Section 3, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 170:

(Certificate of Compliance 2001-066618)

Government Lots 6 and 7 in Section 3, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 171:

(Certificate of Compliance 2001-066619)

The East half of the Northeast Quarter and the North half of the Southeast Quarter of Section 10, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis 1/27/05

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Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 172: (Certificate of Compliance 2001-068032)

The South half of the Southwest Quarter, and the Southwest Quarter of the Southeast Quarter of Section 10, and the Northwest Quarter of the Northeast Quarter of Section 15, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 173: (Certificate of Compliance 2001-068033)

Government Lot 1, being all of Fractional Section 16; and Government Lots 1 and 2, the Northeast Quarter of the Northwest Quarter, and the Southwest Quarter of the Northeast Quarter of Fractional Section 15, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 174: (Certificate of Compliance 2001-068034)

Government Lot 3 of Fractional Section 15, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 175: (Certificate of Compliance 2001-068035)

The Southeast Quarter of the Northeast Quarter of Section 15, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 176: (Certificate of Compliance 2001-068036)

The West half of the Southwest Quarter of Section 14; and Government Lot 4, and the Northeast Quarter of the Southeast Quarter of Fractional Section 15, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according PAGE 34

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to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 177: (Certificate of Compliance 2001-068037)

Government Lot 1 being all of Fractional Section 22; and the Northwest Quarter of the Northwest Quarter of Fractional Section 23, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 178: (Certificate of Compliance 2001-068038)

The Southeast Quarter of the Southwest Quarter of Section 14; and Government Lot 1, and the East half of the Northwest Quarter of Fractional Section 23, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 179: (Certificate of Compliance 2001-068039)

The South half of the Northeast Quarter, the Northwest Quarter of the Southeast Quarter, and Government Lot 2 of Fractional Section 23, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 180: (Certificate of Compliance 2001-068040)

Government Lot 3 of Fractional Section 23, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 181: (Certificate of Compliance 2001-068041)

The Southwest Quarter of the Southeast Quarter of Fractional Section 23, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 182:

(Certificate of Compliance 2001-066620)

Lot 2 of Parcel Map COAL 85-186, in the County of San Luis Obispo, State of California, according to Map recorded November 8, 1985 in Book 38, Page 41 of Parcel Maps in the Office of the County Recorder of said County.

PARCEL 183:

(Certificate of Compliance 2001-066621)

Lot 1 of Parcel Map COAL 85-186, in the County of San Luis Obispo, State of California, according to Map recorded November 8, 1985 in Book 38, Page 41 of Parcel Maps in the Office of the County Recorder of said County.

PARCEL 184:

(Certificate of Compliance 2001-066622)

The Northwest Quarter of the Southwest Quarter of Section 13, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 185:

(Certificate of Compliance 2001-066623)

The West half of the Northwest Quarter, the Southeast Quarter of the Northwest Quarter, and the Northeast Quarter of the Southwest Quarter of Section 13, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 186:

(Certificate of Compliance 2001-066624)

The Southeast Quarter of the Southeast Quarter of Section 10; the Southwest Quarter of the Southwest Quarter of Section 11; the Northeast Quarter of the Northeast Quarter of Section 12; and the North half of the North half, and the Southeast Quarter of the Northeast Quarter of Section 14, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 187: (Certificate of Compliance 2001-066625)

The South half of the Southeast Quarter of Section 11; and the South half of the Southwest Quarter of Section 12, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 188: (Certificate of Compliance 2001-066626)

The Southeast Quarter of the Southwest Quarter of Section 11 and the North half of the Southwest Quarter of Said Section 11, except that portion granted to Piedmont Land & Cattle Company March 3, 1917 in Book 115 of Deeds at Page 124, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California.

PARCEL 189: (Certificate of Compliance 2001-066627)

A fractional part of the North half of the Southwest Quarter of Section 11, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, within the County of San Luis Obispo, State of California, particularly described as follows:

Commencing one-quarter of a mile North of the Southeast corner of Section 10, thence

- 1) East to the Westerly bank of Almaden Creek about one-half way across the Northeast Quarter of the Southwest Quarter of Section 11; thence
- 2) In a Northwesterly direction following the Westerly bank of said Almaden Creek to the line between Sections 10 and 11; thence
- 3) South along said Section line to the place of beginning.

The above described parcel was transcribed from a copy of the original deed from Gertrude McGovern to Piedmont Land & Cattle Co. filed in Book 115 of Deeds at Page 124, in the Recorder's Office of San Luis Obispo County.

PARCEL 190: (Certificate of Compliance 2001-066628)

The Southwest Quarter of the Northwest Quarter of Section 11, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor 1/27/05

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General.

PARCEL 191: (Certificate of Compliance 2001-066629)

The East half of the Southeast Quarter of Section 1; and the North half of the Northeast Quarter and the Southeast Quarter of the Northeast Quarter of Section 12, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 192: (Certificate of Compliance 2001-066630)

Government Lots 1, 2, 3 and 4, the West half of the Southeast Quarter, and the Northeast Quarter of the Southwest Quarter of Section 1, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 193: (Certificate of Compliance 2001-066631)

The Southwest Quarter of the Southeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 35, in Township 25 South; Government Lots 1 and 2, the North half of the Southeast Quarter and the Southwest Quarter of the Southeast Quarter of Section 2, in Township 26 South; and the Northwest Quarter of the Southwest Quarter of Section 1, in Township 26 South, all in Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 194: (Certificate of Compliance 2001-066632)

The Southwest Quarter of the Southwest Quarter of Section 1, and the Southeast Quarter of the Southeast Quarter of Section 2, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 195: (Certificate of Compliance 2001-066633)

The Northwest Quarter of the Northeast Quarter of Section 11, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor 1/27/05

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General.

PARCEL 196:

(Certificate of Compliance 2001-066634)

The Southeast Quarter of the Northwest Quarter and the Southwest Quarter of Section 36, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 197:

(Certificate of Compliance 2001-066635)

The South half of the Northeast Quarter and the East half of the Southeast Quarter of Section 35, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 198:

(Certificate of Compliance 2001-066636)

The North half of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter of Section 36, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 199:

(Certificate of Compliance 2001-066637)

The North half of the Northeast Quarter of Section 35, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 200:

(Certificate of Compliance 2001-066638)

The South half of the Southwest Quarter of Section 26; and the Northeast Quarter of the Northwest Quarter of Section 35, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 201: (Certificate of Compliance 2001-066639)

The Southwest Quarter of the Northwest Quarter of Section 35, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 202: (Certificate of Compliance 2001-066640)

The South half of the Southwest Quarter of Section 27; the East half of the Northwest Quarter, the South half of the Northeast Quarter, and the East half of the Southeast Quarter of Section 34; and the West half of the Southwest Quarter of Section 35, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 203: (Certificate of Compliance 2001-066641)

The West half of the Southeast Quarter and the East half of the Southwest Quarter of Section 34, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 204: (Certificate of Compliance 2001-066642)

Government Lots 2 and 3 of Section 3, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 205: (Certificate of Compliance 2001-066643)

Government Lot 4, of Section 3, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 206: (Certificate of Compliance 2001-066644)

The West half of the Southwest Quarter of Section 34, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the 1/27/05 PAGE 40

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Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 207: (Certificate of Compliance 2001-066645)

The North half of the Southwest Quarter, the Southeast Quarter of the Northwest Quarter, and the Southwest Quarter of the Northeast Quarter of Section 26, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 208: (Certificate of Compliance 2001-066646)

The Southeast Quarter of Section 26, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 209: (Certificate of Compliance 2001-066647)

The Southwest Quarter of the Southwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 210: (Certificate of Compliance 2001-066648)

The West half of the Southeast Quarter and the Southeast Quarter of the Southwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 211: (Certificate of Compliance 2001-066649)

The Northeast Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 212: (Certificate of Compliance 2001-066650)

The Southeast Quarter of the Southeast Quarter of Section 24, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 213: (Certificate of Compliance 2001-066651)

The Southwest Quarter of the Southeast Quarter of Section 24, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 214: (Certificate of Compliance 2001-066652)

The North half of the Northwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 215: (Certificate of Compliance 2003-080700)

The South half of the Northwest Quarter and the Northeast Quarter of the Southwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 216: (Certificate of Compliance 2001-066654)

The Northwest Quarter of the Southwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 217: (Certificate of Compliance 2001-066655)

The North half of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 26, Township 25 South, Range 8 East, 1/27/05

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Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 218: (Certificate of Compliance 2001-066656)

The South half of the Southeast Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 219: (Certificate of Compliance 2001-066657)

The Northwest Quarter of the Northeast Quarter, the Northeast Quarter of the Northwest Quarter, the South half of the Northeast Quarter, and the North half of the Southeast Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 220: (Certificate of Compliance 2001-066658)

The Southeast Quarter of the Southwest Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 221: (Certificate of Compliance 2001-066659)

The Northeast Quarter of the Southwest Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 222: (Certificate of Compliance 2001-066660)

The Northwest Quarter of the Southwest Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 223: (Certificate of Compliance 2001-066661)

The East half of the Southeast Quarter of Section 22; the Southwest Quarter of the Southwest Quarter of Section 23; and the Northwest Quarter of the Northwest Quarter of section 26, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 224: (Certificate of Compliance 2001-066662)

The Southeast Quarter of the Northeast Quarter of Section 22, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 225: (Certificate of Compliance 2001-066663)

The East half of the Northwest Quarter, the Southwest Quarter of the Northeast Quarter, and the Northwest Quarter of the Southeast Quarter of Section 22, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 226: (Certificate of Compliance 2001-066664)

The Southeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Section 15; and the Northwest Quarter of the Northeast Quarter, and the Northeast Quarter of the Northeast Quarter of Section 22, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 227: (Certificate of Compliance 2001-066665)

The Southwest Quarter of the Southwest Quarter of Section 15, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 228: (Certificate of Compliance 2001-066666)

The Southwest Quarter of the Southwest Quarter of Section 10; and the Northwest Quarter, the Northeast Quarter of the Southwest Quarter, the North half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 15, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 229: (Certificate of Compliance 2001-066667)

The South half of the Northeast Quarter, and the Southeast Quarter of Section 10; and Northeast Quarter of Section 15, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 230: (Certificate of Compliance 2001-066668)

The East half of the Northeast Quarter, the Northeast Quarter of the Southeast Quarter and the Southwest Quarter of the Northeast Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 231: (Certificate of Compliance 2001-066669)

The Northwest Quarter of the Northeast Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 232: (Certificate of Compliance 2001-066670)

The Southwest Quarter of the Northeast Quarter, the West half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 9, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 233: (Certificate of Compliance 2001-066671)

The Southeast Quarter of the Northeast Quarter, and the Northeast Quarter of the Southeast Quarter of Section 9, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 234: (Certificate of Compliance 2001-066672)

The South half of the Northwest Quarter, the East half of the Southwest Quarter of Section 9, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 235: (Certificate of Compliance 2001-066673)

The North half of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 236: (Certificate of Compliance 2001-066674)

The East half of the Northeast Quarter, the Northwest Quarter of the Northeast Quarter of Section 17; and the Southwest Quarter of the Southeast Quarter of Section 8, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 237: (Certificate of Compliance 2003-080701)

The East half of the Southeast Quarter, the Northwest Quarter of the Southeast, and the Southeast Quarter of the Northeast Quarter of Section 8; and the West half of the Southwest Quarter of Section 9, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 238: (Certificate of Compliance 2001-066676)

The South half of the Southwest Quarter and the Northwest Quarter of the Southwest Quarter of Section 8, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 239: (Certificate of Compliance 2001-066677)

Government Lots 1, 2, 4, 5, 6 and 7 of Section 7, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 240: (Certificate of Compliance 2001-066678)

The Southwest Quarter of the Northwest Quarter of Section 26, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 241: (Certificate of Compliance 2001-066679)

The Southeast Quarter of the Northwest Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 242:

A portion of that real property in Section 15, Township 25 South, Range 6 East, Mount Diablo Base and Meridian in the County of San Luis Obispo, State of California, more particularly described as follows:

That portion of Lots 5 and 6 lying Southerly of the road as said road existed March 2, 1942.

PARCEL P.B.-1 (Certificate of Compliance 2001-098846)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from 1/27/05

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the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at a post marked "P.B. No. 6" being corner No. 6 per the official Survey of the Rancho Piedra Blanca made by Luis Castro United States Deputy Surveyor, said post being corner number one, and running thence South 51 1/4° East with the Northerly boundary line of said Rancho 111.18 chains (7337.88 feet) to a post in mound of stone on top of ridge marked :P.B. No. 7" and "P.R. No. 2"; thence South 52° East 133.41 chains (8805.06 feet) to post in mound of stone on top of ridge marked "P.B. No. 8" and "P.R. No. 3"; thence South 59° East 76.80 chains (5068.80 feet) to a post on the Northerly boundary of said Rancho, and Station designated as "P.R. No. 4"; thence leaving said boundary line and running South 47 1/2° West (a distance of 40.50 chains (or 2673 feet per the map filed in Book B of Maps at Page 56 records of said county) to a point in the center of what is known as Burnette Creek, and continuing down said creek Southwesterly to a Sycamore tree three feet in diameter at the junction of said Burnette Creek with a creek coming from the Northwest, and about six chains (396 feet) Southwest from a house erected by Juan Castro marked said Sycamore "P.R. No. 5"; thence North 73 1/2° West striking the Southern margin of a small valley 9.00 chains (594.00 feet) to a Sycamore tree fourteen inches in diameter in a ravine or Arroyo coming from the South marked "P.R. NO. 6"; thence following the center of said Arroyo or ravine in a Southerly direction (South 37 1/4° West 49.30 chains (or 3253.8 feet and South 62 1/4° West 48.00 chains or 3168 feet per said map filed in Book B of Maps at Page 56) to the source of the same and to a post marked "P.R. No. 7" on the summit of a chamisal peak and high ridge; thence North 60° West per the deed recorded in Book O of Deeds at Page 343, records of said county (the same being shown as North 46° West per said map recorded in Book B of Maps at Page 56) 146.50 chains (9669.00 feet) to the Westerly boundary line of the Piedra Blanca Rancho. or summit of a high ridge, set post marked "P.R. No, 8" from which a white oak 14 inches in diameter North 80° West 26 links (17.16 feet) distant; thence following the West boundary of said Rancho North 7 1/4° East 45.50 chains (3003.00 feet) to post "P.B. No. 5" marked post "P.R. No. 9"; thence North 7° West 240.40 chains (15,866.40 feet) per said deed recorded in Book O of Deeds at Page 343 (North 7° West 204.40 chains or 13,490.4 feet per said map filed in Book B of Maps at Page 56) to the place of beginning. The same being a part of the Rancho Piedra Blanca and containing 4432.11 acres and being the same tract conveyed by Juan Castro to C.H. Phillips by deed dated January 5th 1875 and recorded in Book G of Deeds, san Luis Obispo County Records at Page 32.

PARCEL P.B.-2 (Certificate of Compliance 2001-098847)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from 1/27/05

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the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Beginning at a point where the Arroyo de la Laguna (currently known as Oak Knoll Creek) empties itself into the Pacific Ocean, thence following up the center of said Arroyo to a Laurel tree that stands on the summit of the Range of Mountains to the East called the "Lomas Muertas" (currently known as "Lone Tree Hill" as shown on USGS 7.5 minute quadrangle map of San Simeon, Calif. Dated 1958); thence in a straight line Easterly to the Eastern boundary of the Rancho de la Piedra Blanca; thence Northerly and following said boundary line to the Arroyo San Carpoforo (which forms the Northern boundary of said Rancho) thence down the center of said Arroyo to its mouth; thence Southerly along the Coast to the place of beginning.

EXCEPTING therefrom the United States Lighthouse Reserve at Piedras Blancas, by Congressional Executive Order of Withdrawal from the Rancho Piedra Blanca, dated June 8, 1866 (Piedras Blancs Lighthouse).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by W.R. Evans, et ux., in favor of Linus Carl Pauling, et ux., recorded November 27, 1956 in Book 871, Page 33 of Official Records, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by William D. Evans, et al., in favor of J.N. Sani, et ux., recorded December 5, 1989 in Book 3425, Page 865 of Official Records, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Evelyn C. Evans, in favor of Linus Carl Pauling, et ux., recorded July 31, 1957 in Book 901, Page 457 of Official Records, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Donald E. Evans, et al., in favor of Charles Valois, et al., recorded August 13, 1956 in Book 858, Page 205 of Official Records, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Thomas C. Evans, et ux., in favor of Thomas C. Evans, et ux., recorded December 10, 1953 in Book 738, Page 34 of Official Records, records of said County. Said land is also shown on the Certificate of Compliance recorded January 9, 1995 as Instrument No. 1995-000985 of Official Records.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by John C. 1/27/05 PAGE 49

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Evans, et ux., in favor of John C. Evans, et ux., recorded October 27, 1949 in Book 539, Page 325 of Official Records, records of said County. Said land is also shown on Certificate of Compliance recorded January 9, 1995 as Instrument No. 1995-000986 of Official Records.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by William D. Evans, et al., in favor of J.N. Sani, et ux., recorded December 5, 1989 in Book 3425, Page 859 of Official Records, records of said County. Said land is also shown on Certificate of Compliance recorded January 9, 1995 as Instrument No. 1995-000987 of Official Records.

EXCEPTING therefrom, any fee grants of land to the State of California for Highway purposes.

EXCEPTING any portion of the land below the line of ordinary high water where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom that portion of said Rancho described in the deed from the J.P. Anderson and the Bank of San Luis Obispo to George Hearst, recorded July 11, 1882 in Book O, Page 343 of Deeds, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from E.S. Bowles, et al., to Phoebe Hearst, recorded January 16, 1906 in Book 69, Page 137 of Deeds, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from Leopold Frankl to George Hearst, recorded November 22, 1888 in Book 7, Page 244 of Deeds, records of said County.

EXCEPTING therefrom that portion of Rancho described in the deed from Gid J. Pillow to the Hearst Corporation, recorded June 10, 1966 in Book 1399 at Page 328 of Official Records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from Lauderdale Auto Rentals to the Hearst Corporation, recorded June 10, 1966 in Book 1399 at Page 315 of Official Records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from C.O. King, Referee to Phoebe A. Hearst recorded October 23, 1905 in Book 68 of Deeds at Page 58, records of said 1/27/05

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County.

EXCEPTING therefrom that portion of said Rancho described in the deed from C.O. King, Referee to B.F. Muma recorded October 24, 1905 in Book 68 of Deeds at Page 66, records of said County.

EXCEPTING therefrom that portion of the Piedra Blanca Rancho in the County of San Luis Obispo, State of California, containing 263 acres being more particularly described as follows:

Commencing at the mouth of the Arroyo Las Canras at the Southeasterly corner of the tract of land surveyed for Juan Castro; thence following Northeasterly along the Southeasterly boundary line of said tract to the Easterly corner thereof; thence Northwesterly along the Northeasterly boundary of said tract to a point from whence a straight line from the ocean running parallel with the straight Southeasterly boundary line of said tract would enclose the number of acres above described and mentioned, thence along said set off line Southwesterly to the ocean; thence along the beach to the place of beginning.

EXCEPTING therefrom that portion of land lying Southwesterly of that certain parcel granted from C.O. King, Referee to Phoebe A. Hearst recorded October 23, 1905 in Book 68 of Deeds at Page 58, records of said County, (said line also being the Southwest line of Lots 3, 5 and 8 of the "Partition of the Gillis Tract" made by decree to the Superior Court of San Luis Obispo County on October 7, 1904 and shown on map filed January 24, 1905 in Book 1 at Page 84 of Records of Surveys, records of said County) and lying Northeasterly of the United State Lighthouse Reserve at Piedras Blancas, by Congressional Executive Order of Withdrawal from the Rancho Piedra Blanca, dated June 8, 1866 (Piedras Blancas Lighthouse).

PARCEL P.B.-3 (Certificate of Compliance 2001-098848)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at the mouth of the large Arroyo Northwest of Pico's house commonly known as Pico's Creek (currently known as Little Pico Creek), thence up the main branch of said creek through all its meanderings to a point above Pico's "Matanza" (slaughterhouse) where a small ravine and where a second one from the East puts into said creek about one mile and a half more or less from the mouth; thence up the center of the divide between said creek and ravine to a high 1/27/05 PAGE 51

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rocky point in the Chamisal Mountain; thence in an Easterly direction to a point on the Northeast boundary line of the Piedra Blanca Rancho striking said boundary line at the South point of the pine ridge immediately back (and Northeast) of the Marmolejo Valley; thence along said boundary line in a Northerly direction to a point where the Southeast boundary line of Pacheco's Rancho (formerly owned by Captain John Wilson) intersects same; thence along said last mentioned boundary line to the beach and thence along the beach to the place of beginning.

EXCEPT therefrom that portion of said Rancho granted from Jose de Jesus Pico to John Wilson in 1854 and recorded in Book a of Deeds at Page 60 described as follows: Beginning at a point where the Arroyo de la Laguna (currently known as "Oak Knoll Creek") empties itself into the Pacific Ocean, thence following up the center of said Arroyo to a Laurel tree that stands on the summit of the Range of Mountains to the East called the "Lomas Muertas" (currently known as "Lone Tree Hill" as shown on USGS 7.5 minute quadrangle map of San Simeon, Calif. dated 1958); thence in a straight line Easterly to the Eastern boundary of the Rancho de la Piedra Blanca; thence Northerly and following said boundary line to the arroyo San Carpoforo (which forms the Northern boundary of said Rancho) thence down the center of said Arroyo to its mouth; thence Southerly along the Coast to the place of beginning and containing about four leagues of land be the same, more or less.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Phoebe A. Hearst, in favor of L. Frankl, recorded November 10, 1892 in Book 14, Page 103 of Deeds, records of said County (Lots 1-4 of Block A of the Town of San Simeon).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Hearst Magazines, Inc., in favor of The County of San Luis Obispo, recorded January 12, 1952 in Book 641, Page 452, et seq. of Official Records, records of said County (San Simeon Park).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by the Hearst Corporation, in favor of The County of San Luis Obispo, recorded May 27, 1955 in Book 805, Page 285 of Official Records, records of said County (San Simeon Park).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by The Hearst Corporation, in favor of The State of California, recorded March 14, 1958 in Book 931, Page 487 of Official Records, records of said County (Visitor's Center).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by La Cuesta Encantada Corporation, in favor of The State of California, recorded March 14, 1958 in Book 931, Page 510 of Official Records, records of said County (Hearst Castle).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by The Hearst 1/27/05 PAGE 52

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Corporation, in favor of The State of California, recorded March 18, 1966 in Book 1389, Page 719 of Official Records, records of said County, as to Highway and coastal land, approximately from Pico Creek to Townsite of San Simeon.

EXCEPTING therefrom that portion of said Rancho described in the Director's Deed (Parcel 645-DD) from The State of California to The Hearst Corporation, recorded August 8, 1966 in Book 1405, Page 715 of Official Records, records of said County, a 30' strip of land extending approximately from Hearst Castle Road Northwesterly to Hearst Ranch Road.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by The Hearst Corporation, in favor of The State of California, recorded March 29, 1986 in Book 2691, Page 124 of Official Records, records of said County (Visitor's Center).

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any fee grants of land to The State of California for Highway purposes, and

EXCEPTING therefrom that certain parcel (commonly known as the Port Tract) described in deed from P.A. Forrester, et al., to George Hearst recorded May 22, 1871 in Book C, at Page 313 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in deed from Juan Castro to George Hearst dated December 10, 1878 in Book L, at Page 382 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in deed from Virginia Pico to George Hearst dated September 16, 1878 in Book L, at Page 279 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in deed from American Exploration and Development Co. to L.V. Thorndyke recorded September 28, 1904 in Book 64, at Page 35 of Deeds in the Recorder's Office of said County (Sebastian's), and

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EXCEPTING therefrom that certain parcel described in deed from J. Scettrini, et al., to P.A. Hearst recorded May 14, 1907 in Book 74, at Page 551 of Deeds in the Recorder's Office of San Luis Obispo County.

PARCEL P.B.-4 (Certificate of Compliance 2001-098849)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

All that certain portion of the Rancho Piedra Blanca granted January 18th 1840 by Juan B. Alvarado, Mexican Governor of California to Jose de Jesus Pico situate lying and being in the County of San Luis Obispo, State of California commencing at the mouth of the large Arroyo Northwest of the house of Jose de Jesus Pico on said Rancho, commonly known as Pico Creek (currently known as Little Pico Creek); thence running up the main branch of said creek through all its meanderings to a point above Pico's Old Matanza where a small ravine, and the second from the East puts into said creek about one mile and a half more or less from the mouth of Pico Creek (currently known as Little Pico Creek); thence up the center of the divide between said creek and ravine to a high rocky point on the Chamisal mountains; thence in an Easterly direction to a point on the Northeast boundary line of the Piedra Blanca Rancho striking said boundary line at the South point of the Pine Ridge immediately back (and Northeast) of the Marmalijo Valley; thence Easterly along said boundary line to the Easterly corner of said Rancho and thence along the Southeasterly boundary line of said Rancho and down the center of the Arroyo del Pinalito or Padre Juan Moreno (currently known as Pico Creek) to the Pacific Ocean; and thence along the beach of said ocean to the place of beginning.

EXCEPTING therefrom and thereout that tract of land being a part of the "Pinery" being secondly described in a conveyance made by Jose de Jesus Pico as guardian of Ysabel, Virginia and Jose Pico to George Hearst dated April 25th 1865 and recorded in Book A of Deeds San Luis Obispo County Records at Page 726 et seq., described as follows:

A portion of said Rancho Piedra Blanca, commencing at a cluster of oak trees on the Arroyo del Pinalito (currently known as Pico Creek) below where the main road (currently known as Highway 1) crosses the same and on a line with the general direction of said road from said creek to Pico's House; thence along said road to a point from which a line drawn to a small mound on the Northeast of the Pinery would equally divide the Pinery; thence in a direct line to said mound, 1/27/05

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thence at right angles to the Pinalito Creek (currently known as Pico Creek) to the center of said creek, and thence down said creek to the place of beginning.

ALSO EXCEPTING therefrom that property described in the deed from The Hearst Corporation, to The State of California, recorded March 18, 1966 in Book 1389 of Official Records at Page 719, records of San Luis Obispo County.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

PARCEL P.B.-5 (Certificate of Compliance 2001-098850)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

That tract of land being a part of the "Pinery" being secondly described in a conveyance made by Jose de Jesus Pico as guardian of Ysabel, Virginia and Jose Pico to George Hearst dated April 25th 1865 and recorded in Book A of Deeds San Luis Obispo County records at Page 726 et seq., more particularly described as follows:

A portion of said Rancho Piedra Blanca, commencing at a cluster of oak trees on the Arroyo del Pinalito (currently known as Pico Creek) below where the main road (currently known as Highway 1) crosses the same and on a line with the general direction of said road from said creek to Pico's House; thence along said road to a point from which a line drawn to a small mound on the Northeast of the Pinery would equally divide the Pinery; thence in a direct line to said mound, thence at right angles to the Pinalito Creek (currently known as Pico Creek) to the center of said creek, and thence down said creek to the place of beginning.

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EXCEPTING therefrom that portion of said Rancho described in the deed from Walter H. Southall, et ux., to The Hearst Corporation, recorded August 6, 1954 in Book 767, Page 274 of Official Records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from The Hearst Corporation to Walter H. Southall, et ux., recorded August 6, 1954 in Book 767, Page 275 of Official Records of said County.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

PARCEL P.B.-6 (Certificate of Compliance 2001-098851)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at the Southeast corner of land conveyed to L.V. Thorndyke by the American Exploration and Development Company by deed dated September 15th 1904, (said parcel being shown on survey filed in Book 4 of Records of Surveys at Page 66, records of said County) and running thence Northerly 150 feet; thence at right angles Easterly 50 feet; thence at right angles Southerly 150 feet to the North line of Front Street; thence at right angles Westerly along said Northerly line of Front Street 50 feet to the true point of beginning, being sometimes referred to as Lots 3 and 4 in Block A as shown by the plat of said Town of San Simeon.

PARCEL P.B.-7 (Certificate of Compliance 2002-066311)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from 1/27/05

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the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at the mouth of the Arroyo del Puerto de San Simeon; thence up the center of said Arroyo five hundred varas* (1425 feet); thence to a point five hundred varas* (1425 feet) from the mouth of the Arroyo de la Laguna; thence down the center of said Arroyo to the ocean; and thence following the beach to the place of beginning and containing 601.50 acres and being a part of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855.

EXCEPTING therefrom that certain parcel described in deed from Juan Castro to George Hearst dated December 10, 1878 in Book L, at Page 382 of Deeds of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel (Sebastian's_ described in deed from American Exploration and Development Co. to L.V. Thorndyke recorded September 28, 1904 in Book 64, at Page 35 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in deed from American Exploration and Development to James Scettrini, et al., recorded September 28, 1904 in Book 64, at Page 36 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel (San Simeon State Park) described in deed from the Hearst Magazines, Inc., to The State of California recorded January 12, 1952 in Book 641, Page 452 of Official Records of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in the deed from The Hearst Corporation to The State of California recorded March 18, 1966 in Book 1389, Page 719 of Official Records in the Recorders Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in the Director's Deed from The State of California to The Hearst Corporation, recorded August 8, 1966 in Book 1405, Page 715 of Official Records in the Recorders Office of San Luis Obispo County.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

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EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

EXCEPTING therefrom that real property commonly known as the "Whaling Fishing Tract" on the Point of San Simeon described in deed from Hiplote Marshall to Phoebe Hearst recorded October 2, 1894 in Book 24 of Deeds at Page 530, and also being a portion of the Rancho Piedra Blanca Rancho described in Book B of Patents at Page 30, records of San Luis Obispo County, State of California, described as follows:

Commencing at the Southwest corner of Sebastian's Store, also being the Southwest corner of Lot 1 of Block A of the Town of San Simeon (an unrecorded subdivision map), shown on map filed in Book 4 of Records of Surveys at Page 66, records of said County, said point having State Plane Coordinates (NAD83) as follows:

Northing:

2,435,599.7568

Easting:

5,613,398.0458

And being North 13°18'16" East 30.00 feet from a Spike and Tag "LS 5702" set in the centerline of County Road No. 3 thence South 31°38'53" West 2280.29 feet to a 1" iron pipe with Tag "LS 5702" and True Point of Beginning; thence

- 1) North 83°03'08" East, 284.64 feet more or less to the mean high tide line of the Pacific Ocean; thence along the meanderings of the mean high tide line the following 28 courses:
- 2) South 16°25'45" East, 135.62 feet; thence
- 3) South 08°11'33" West, 107.98 feet; thence
- 4) South 34°15'20" East, 125.39 feet; thence
- 5) South 30°29'44" East. 110.57 feet; thence
- 6) South 09°29'04" East, 119.00 feet; thence
- 7) South 04°00'13" East, 110.48 feet; thence
- 8) South 38°37'43" East, 114.57 feet; thence
- 9) South 34°08'39" East, 56.01 feet; thence
- 10) South 26°03'20" East, 75.71 feet; thence
- 11) South 38°20'26" East, 111.35 feet; thence
- 12) South 36°21'39" East, 64.08 feet; thence
- 13) South 33°26'19" East, 90.58 feet; thence

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- 14) South 29°53'33" East, 60.18 feet; thence
- 15) South 72°52'19" West, 62.95 feet; thence
- 16) South 75°24'15" East, 47.93 feet; thence
- 17) South 23°31'34" West, 94.35 feet; thence
- 18) South 84°17'07" West, 44.72 feet; thence
- 19) North 80°41'10" West, 220.47 feet; thence
- 20) South 84°38'59" West, 74.16 feet; thence
- 21) South 77°10'07" West, 126.09 feet; thence
- 22) South 07°27'34" West, 26.88 feet; thence
- 23) South 30°02'30" East, 65.14 feet; thence
- 24) South 08°39'41" West, 33.31 feet; thence
- 25) South 00°24'20" East, 45.10 feet; thence
- 26) South 15°10'03" West, 26.16 feet; thence
- 27) North 61°37'37" West, 43.73 feet; thence
- 28) North 42°51'26" West, 56.63 feet; thence
- 29) North 36°37'56" West, 88.60 feet more or less to a point which lies South 07°10'08" East from the True Point of Beginning; thence
- 30) North 07°10'08" West, 1283,38 feet to the True Point of Beginning.

Bearings and distances are on the Stat Plane Coordinate system NAD83 Zone 5. Rotate bearings 1°49'23" counter clockwise for true bearings. Multiply distances shown by 1.00004536 to obtain ground distances.

PARCEL P.B.-8 (Certificate of Compliance 2001-098853)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at the mouth of the Arroyo la Laguna and running thence up the center of said Arroyo to a point in the center of the said Arroyo known as the most Northwest corner of the Port Tract and where a line drawn from the point of beginning North 5 3/4° East would be 500 varas* or 21.06 chains (1389.96 feet); thence following the Northerly boundary of the said Port Tract South 37 1/2° East 44.44 chains (2933.04 feet) to a post; thence South 26 1/2° West 29 chains (1914 feet) to the line of high water mark; thence Northwest along said high water mark to the place of beginning and

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being the same premises conveyed by George Hearst in May, 1871 and recorded in the Office of the County Recorder in Book C of Deeds at Page 310.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

PARCEL P.B.-9 (Certificate of Compliance 2001-098854)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California containing 263 acres being more particularly described as follows:

Commencing at the mouth of the Arroyo Las Canras at the Southeasterly corner of the tract of land surveyed for Juan Castro; thence following Northeasterly along the Southeasterly boundary line of said tract to the Easterly corner thereof; thence Northwesterly along the Northeasterly boundary of said tract to a point from whence a straight line from the ocean running parallel with the straight Southeasterly boundary line of said tract would enclose the number of acres above described and mentioned; thence along said set off line Southwesterly to the ocean; thence along the beach to the place of beginning.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

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PARCEL P.B.-10 (Certificate of Compliance 2001-098855)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

That portion of land lying Southwesterly of that certain parcel granted from C.O. King, Referee to Phoebe A. Hearst recorded October 23, 1905 in Book 68 of Deeds at Page 58, records of said County, (said line also being the Southwest line of Lots 3, 5 and 8 of the "Partition of the Gillis Tract" made by decree to the Superior Court of San Luis Obispo County on October 7, 1904 and shown on map filed January 24, 1905 in Book 1 at Page 84 of Records of Surveys, records of said County) and lying Northeasterly of the United State Lighthouse Reserve at Piedras Blancas, by Congressional Executive Order of Withdrawal from the Rancho Piedra Blanca, dated June 8, 1966 (Piedras Blancas Lighthouse).

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

PARCEL P.B.-11 (Certificate of Compliance 2001-098856)

That portion of the Rancho de la Piedra Blanca, in the County of San Luis Obispo, State of California, according to the map thereof on file in the Office of the County Recorder of said County, described as follows:

Beginning at the Southwest corner of the parcel of land recorded in Licensed Surveyor's Map filed in Book 7, Page 20 Records of San Luis Obispo County, California; thence following the West boundary line of said parcel and the East right of way line of State Highway No. 56-A, (currently known as Highway 1), North 16°21' West, 1089.96 feet to a point; thence leaving said highway and said West boundary line of said parcel, North 73°39' East, 1089.00 feet to a point; thence South 16°21' East 1022.83 feet to a point on the South boundary line of said parcel; thence following the South boundary line of said parcel, South 79°30' West, 690.86 feet to a point on the South boundary line of said parcel of land; thence continuing along the South boundary line of said parcel of land, 1/27/05

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South 54°45' West, 424.63 feet to the point of beginning.

EXCEPTING therefrom, any fee grants of land to the State of California for Highway purposes.

PARCEL P.B.-12 (Certificate of Compliance 2001-098857)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Beginning at the point of intersection of the Northerly line of the Gillis Tract, as per Licensed Surveyors Map of the "Partition of the Gillis Tract, Rancho Piedra Blanca, surveyed by A.F. Parsons, filed February 24, 1905 in Book 1, Page 84 of Record of Surveys" in the office of the County Recorder of said County, and the Easterly line of the California State Highway, Division V, Route 56 (currently Highway 1), Section A, as described in deed recorded June 23, 1921 in Book 146, Page 279, of Deeds; thence Easterly along the irregular Northerly line of said Gillis Tract as shown on the above mentioned Licensed Surveys Map and which is designated thereon as the surveyed center line of the Arroyo del Corral, the following courses and distances: North 54°45' East, 424.63 feet, North 79°30' East, 811.80 feet, South 83°45' East, 237.60 feet, North 48°15' East, 224.40 feet, North 88°00' East, 382.80 feet, North 62°00' East, 356.40 feet, North 74°00' East, 613.80 feet, North 69°15' East, 488.40 feet, South 87°30' East, 264.00 feet, North 29°00 East, 528.00 feet, South 83°30' East, 435.60 feet, North 56°00' East, 349.80 feet, South 71°00' East, 782.98 feet to the common corner of said Gillis Tract and the land conveyed to Thomas Evans by deed dated October 25, 1871, recorded May 6, 1873 in Book E, Page 107 of Deeds; thence along the existing fence and property line of said land, North 47°00' West, 1258.37 feet, North 47°20' West, 1646.02 feet and North 44°16' West, 1195.52 feet to the Northerly corner of said land; thence along the existing fence and property line of said land South 70°22' West, 454.38 feet, South 70°07' West, 1491.85 feet and South 71°30' West, 410.05 feet to the most Northerly corner of the parcel of land conveyed to W.R. Evans by deed recorded January 25, 1919 in Book 125, Page 443 of Deeds; thence along the irregular Easterly lines of the parcels conveyed to W.R. Evans, T.C. Evans, John C. Evans and W.J. Evans, respectively, by the above mentioned deed, the following courses and distances: South 11°45' East, 165.00 feet, South 89°47' East, 440.35 feet, South 22°42' West, 186.06 feet, and South 43°46' East, 158.63 feet to the most Easterly corner of the parcel conveyed to W.J. Evans by the above mentioned deed; thence South 70°45' West along the Southerly line of the parcel so conveyed to W.J. Evans, 1371.91 feet to a point in said Easterly line of said Highway

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the following courses and distances: South 36°27' East, 36.41 feet to the beginning of a curve concave to the West having a radius of 830 feet and a central angle of 20°06' and a length of 291.17 feet Southerly along said curve, 291.17 feet, South 16°21' East, 1921.76 feet to the point of beginning.

EXCEPTING therefrom that parcel of land described in the deed from Lauderdale Auto Rentals, Inc. to The Hearst Corporation recorded in Book 1399, Page 315 of Official Records of said County.

EXCEPTING therefrom, any fee grants of land to the State of California for Highway purposes.

PARCEL P.B.-13 (Certificate of Compliance 2001-098858)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at a point of the Arroyo del Corral where the Northeast line of the land of Peter Gillis intersects the same; thence running along the Arroyo del Corral Northeasterly to the Arroyo de la Cruz according to the courses marked in the survey of Luis Castro; thence down said Arroyo de la Cruz to a point on the same from which a line running parallel with the line of said Gillis Tract would include 365 acres; thence along said parallel line to the Northeast line of said Gillis Tract or a continuation thereof; thence along said continued line and said Northeast line of the Gillis Tract to the place of beginning.

PARCEL P.B.-14 (Certificate of Compliance 2001-098859)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at a post at the Northwesterly comer of the 320 cares of land belonging to Thomas Evans and in the center of the Arroyo del Oso where the same empties into the Pacific Ocean; 1/27/05

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thence following the bluff bank of the ocean by courses and distances as follows: North 23 3/4° West 1.45 chains (97.70 feet) to a stake on the North side of said Arroyo; thence North 45° West 4.85 chains (320.10 feet); thence North 46 3/4° West 1 chain (66.00 feet); thence North 15 3/4° West 7.35 chains (485.10 feet); thence South 84 1/2° West 3.25 chains (214.50 feet); thence North 53° West 9 chains (594.00 feet) to a stake in the bluff bank of said ocean; thence leaving the ocean North 70° East to a point from where a line running South 29 3/4° East to the Northwesterly line of said Evans Tract includes 160 acres; thence South 29 3/4° East to the Northwest line of said Evans Tract; thence South 70° West following the said Northwest line of the said Evans Tract to the place of beginning containing 160 acres.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

PARCEL P.B.-15 (Certificate of Compliance 2001-098860)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

That portion of said Rancho described in the Director's Deed (Cal Trans Parcel #645-DD as shown on Right of Way Map 05-SLO-001 Post Mile 57.8 to 58.4, updated April 27, 1966) from the State of California to The Hearst Corporation, recorded August 8, 1966, in Book 1405, Page 715 of Official Records of said County, lying Northwesterly of the Arroyo del Puerto, being the Easterly line of the land conveyed in deed from P.A. Forrester, et al., to George Hearst recorded May 22, 1871, in Book C of Deeds at Page 313 in the Recorders Office of said County.

PARCEL P.B.-16 (Certificate of Compliance 2001-098861)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the 1/27/05

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United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

That portion of said Rancho described in the Director's Deed (Cal Trans Parcel #645-DD as shown on Right of Way Map 05-SLO-001 Post Mile 57.8 to 58.4, updated April 27, 1966) from the State of California to The Hearst Corporation, recorded August 8, 1966, in Book 1405, Page 715 of Official Records of said County, lying Northwesterly of the Arroyo del Puerto, being the Easterly line of the land conveyed in deed from P.A. Forrester, et al., to George Hearst recorded May 22, 1871, in Book C of Deeds at Page 313 in the Recorders Office of said County.

PARCEL P.B.-17 (Certificate of Compliance 2002-066312)

That real property commonly known as the "Whaling Fishing Tract" on the Point of San Simeon described in deed from Hiplote Marshall to Phoebe Hearst recorded October 2, 1894 in Book 24 of Deeds at Page 530, and also being a portion of the Rancho Piedra Blanca Rancho described in Book B of Patents at Page 30, records of San Luis Obispo County, State of California, described as follows:

Commencing at the Southwest corner of Sebastian's Store, also being the Southwest corner of Lot 1 of Block A of the Town of San Simeon (an unrecorded subdivision map), shown on map filed in Book 4 of Records of Surveys at Page 66, records of said County, said point having State Plane Coordinates (NAD83) as follows:

Northing: 2,435,599.7568 Easting: 5,613,398.0458

And being North 13°18'16" East 30.00 feet from a Spike and Tag "LS 5702" set in the centerline of County Road No. 3 thence South 31°38'53" West 2280.29 feet to a 1" iron pipe with Tag "LS 5702" and True Point of Beginning; thence

- 1) North 83°03'08" East, 284.64 feet more or less to the mean high tide line of the Pacific Ocean; thence along the meanderings of the mean high tide line the following 28 courses:
- 2) South 16°25'45" East, 135.62 feet; thence
- 3) South 08°11'33" West, 107.98 feet; thence
- 4) South 34°15'20" East, 125.39 feet; thence
- 5) South 30°29'44" East. 110.57 feet; thence
- 6) South 09°29'04" East, 119.00 feet; thence

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- South 04°00'13" East, 110.48 feet; thence 7)
- South 38°37'43" East, 114.57 feet; thence 8)
- South 34°08'39" East, 56.01 feet; thence 9)
- South 26°03'20" East, 75.71 feet; thence 10)
- South 38°20'26" East, 111.35 feet; thence 11)
- South 36°21'39" East, 64.08 feet; thence 12)
- South 33°26'19" East, 90.58 feet; thence 13)
- 14) South 29°53'33" East, 60.18 feet; thence
- South 72°52'19" West, 62.95 feet; thence 15)
- 16) South 75°24'15" East, 47.93 feet; thence
- South 23°31'34" West, 94.35 feet; thence 17)
- 18) South 84°17'07" West, 44.72 feet; thence
- North 80°41'10" West, 220.47 feet; thence 19)
- 20) South 84°38'59" West, 74.16 feet; thence
- South 77°10'07" West, 126.09 feet; thence 21)
- 22) South 07°27'34" West, 26.88 feet; thence
- South 30°02'30" East, 65.14 feet; thence 23)
- 24) South 08°39'41" West, 33.31 feet; thence
- South 00°24'20" East, 45.10 feet; thence 25)
- South 15°10'03" West, 26.16 feet; thence 26)
- North 61°37'37" West, 43.73 feet; thence
- 27)
- North 42°51'26" West, 56.63 feet; thence 28)
- 29) North 36°37'56" West, 88.60 feet more or less to a point which lies South 07°10'08" East from the True Point of Beginning; thence
- North 07°10'08" West, 1283.38 feet to the True Point of Beginning. 30)

Bearings and distances are on the Stat Plane Coordinate system NAD83 Zone 5. Rotate bearings 1°49'23" counter clockwise for true bearings. Multiply distances shown by 1.00004536 to obtain ground distances.

(Certificate of Compliance 2002-066313) PARCEL P.B.-18

That part of the Rancho Piedra Blanca in the County of San Luis Obispo, State of California, described in the deed to Phoebe A. Hearst and recorded January 2, 1917 in Book 113 of Deeds at Page 290, records of said County, more particularly described and repeated here as follows:

BEGINNING at a redwood stake G1 in stone mound on bluff bank on shore of Pacific Ocean at most Westerly corner of the 263-acre tract of land conveyed to H.F. Muma by George Buryar by

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deed dated April 30, 1872, and recorded in Book "D" of Deeds at Page 81, San Luis Obispo County Records (the fence post at Southwesterly end of fence of said 263-acrea tract bears North 63° East, 23.10 feet; thence from said post G1 running along fence line on Westerly line of said 263-acre tract North 44° East, 5959.80 feet to post G2 at Northwesterly corner of said 263-acre tract and in line of fence between lands of Phoebe A. Hearst and the lands herein described; thence along said last above named line North 46°45' West, 2049,30 feet to stake M1; thence parallel with said Northwesterly line of said Muma 263-acre tract South 44° West, 6850.80 feet to the shore of the Pacific Ocean (W.P.M. 2 bears North 44° East, 9.24 feet, and post 1-2-8 at corner of Lots 3, 5 and 6 of the Luis Castro Subdivisions of the Peter Gillis Tract bears North 29° West, 214.50 feet; thence meandering along the said Ocean shore on the following courses and distances: South 29° East, 386.10 feet; South 89° East, 396 feet; North 43° East, 257.40 feet; North 56° East, 462 feet; North 80° East, 336.60 feet; South 71°30' East, 198 feet; South 35° East, 481.80 feet; South 39°15' East, 132 feet; and South 15°15' East, 382.80 feet to said post G1, the place of beginning; and being parts of Lots 1, 2 and 3 of the aforesaid Luis Castro Subdivisions, containing, including the area in the County Road within the exterior boundaries hereof, 288 02/100 acres of land, more or less, and further described as that part of the Rancho Piedra Blanca designated at Tract "B" on that "Plot of Partition of Lands of the Gillis Estate" made by C.D. King and A.F. Parsons, which said plot is filed in the Office of the County Recorder of the County of San Luis Obispo, and to which reference is hereby made, and being the same deeded C.O. King, referee to E.F. Muma by deed bearing date October 23, 1905, and recorded in the County Recorder's Office, San Luis Obispo County, in Volume 68 of Deeds at Page 66 thereof.

EXCEPTING therefrom that property described in the Certificate of Compliance recorded December 20, 2001 as Document No. 2001-098854, records of said County.

PARCEL P.B.-19 (Certificate of Compliance 2002-066314)

That part of the Rancho Piedra Blanca in the County of San Luis Obispo, State of California, described in the deed to Phoebe A. Hearst and recorded October 23, 1905 in Book 68 of Deeds at Page 58, records of said County, more particularly described and repeated here as follows:

Beginning at post M1 on line dividing lands of Phoebe A. Hearst from the lands herein described (the corner of Lots 2 and 4 on the dividing line of the Luis Castro Subdivision of the Peter Gillis Tract of the Rancho Piedra Blanca bears North 47°15' West, 203.94 feet and post G2 at most Northerly corner of the 263-acre tract conveyed by George Buryar to B.F. Muma by deed dated April 30th, 1872, recorded in Book "D" of Deeds at Page 81, San Luis Obispo County Records, bears South 46°45' East, 2049.30 feet; thence from said post M1 along said dividing line of said Hearst lands and lands herein described North 47°15' West, 3820.08 feet to stake G3 in old bed of

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Arroyo del Corral; thence meandering down said Arroyo on the following courses and distances; North 71° West, 534.60 feet; North 56° West, 349.80 feet; North 83°30' West, 435.60 feet; South 29° West, 528 feet; North 87°30' West, 264 feet; South 69°15' West, 488.40 feet; South 74° West, 613.80 feet; South 62° West, 356.40 feet; South 88° West, 382.70 feet; South 48°15' West, 224.40 feet; South 83°15' West, 237.60 feet; South 79°30' West, 825.00 feet; South 54°45' West, 613.80 feet; South 53° West, 231.00 feet to mouth of said Arroyo, on shore line of Pacific Ocean. Thence meandering along said Ocean shore line as follows: South 7°45' West, 534.60 feet; South 16°45' West, 165.00 feet; South 26°30' East, 435.60 feet; South 0°45' West, 528 feet; South 20°15' West, 547.80 feet; South 21°45' West, 349.80 feet; South 4°15' West, 475.20 feet; South 67°15' East, 508.20 feet; South 25°30' East, 396 feet to post marked 1-3-7 at Northwest corner of Lot 6 of the Luis Castro Subdivisions aforesaid. Thence leaving said Ocean shore and running along the dividing line between said Lot 6 and Lot 5 of said Castro Subdivisions South 43°15' East, 1514.04 feet to post 2-3 on said dividing line at corner to Lots 5 and 8 of said Castro Subdivisions. Thence along dividing line between Lots 5 and 6 of said Castro Subdivisions South 46°45' East, 2112 feet to post marked 1-2-8 at common corner to Lots 3, 5 and 6 of said Castro Subdivisions. The lantern at Piedra Blanca Lighthouse bears South 74°30' West and a spring at floor of bluff bank of Pacific Ocean bears North 80° West. Thence South 29° East along bluff bank near Ocean shore North 44° East, 6850.80 feet to said post M1, the point of beginning. Being Lots 4, 5, 7, 8 and 9 and parts of Lots 2 and 3 of the Luis Castro Subdivisions aforesaid, containing, including the area in the County Road within the exterior boundaries thereof, 880 and 69/100 acres of land more or less, and further described as that part of the Rancho Piedra Blanca designated as Tract "A" on the "Plot of Partition of Lands of the Gillis Estate" made by C.O. King and A.F. Parsons, which said plot is filed in the Recorders Office of the County of San Luis Obispo and to which reference is hereby made.

PARCEL J.R.-1 (Certificate of Compliance 2002-028663)

That part of Lot A of the subdivisions of the Rancho San Simeon, as surveyed by V.H. Woods and delineated on the "Plat Showing Partition of that part of San Simeon RO owned by Ira Van Gorden Sr.", filed in the office of the Recorder of San Luis Obispo County, California, July 27, 1899 in Book B at Page 108 of Maps which is more particularly described as follows:

BEGINNING at stake S No. 6 in the channel of the Arroyo del Pinal at the North corner of a tract of 100.00 acres owned by Smith Arbuckle, and on the Northerly line of Lot "A" beforenamed, from which said stake a live oak 30 inches diameter bears North 76°15' West, 62.04 feet, and running thence on lines of the said Arbuckle tract. South 60° East, 214.50 feet; South 15° West, 1188.00 feet; South 33° East, 219.12 feet to point in West line of the public road leading from Cambria to San Simeon; thence North 56°30' East, 60.16 feet to post marked LVG No. 1 in East line of said road, 1466.52 feet to stake LVG No. 2 to a point in the West line of the public road leading from

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Cambria to San Simeon; thence North 56°30' East across said road a distance of 50.16 feet to post marked LVG No. 1 in the East line of said road; thence continuing North 56°30' East, 1416.36 feet to stake LVG No. 2; thence North 21°15' West, 1164.24 feet to stake LVG No. 3, from which a sycamore 30 inches diameter bears North 25° East, 9.90 feet; thence North 79°15' West, 41.58 feet to point in the channel of the Arroyo del Pinal and on the North line of the beforenamed Lot "A"; thence down the said Arroyo following the meanders thereof Southwesterly about 1254 feet to the point of beginning and containing 35.42 acres, including public road area. Being the property conveyed by that certain deed from Lora E. Van Gorden and Sherman Van Gorden, her husband, to said J.H. McGovern, dated June 15, 1914, and recorded July 25, 1914 in Volume 101 of Deeds at Page 375, records of said County of San Luis Obispo.

EXCEPTING therefrom that portion lying within the land surveyed and shown on the map entitled "Map of Survey of Parcels of Land in a portion of the Arbuckle Tract, Being in Lot A of Rancho San Simeon, San Luis Obispo County, California, at request of: Walter R. Southall" dated May 16, 1952, and filed May 22, 1952 in Book 6 of Records of Survey at Page 49, records of said County.

PARCEL J.R.-2 (Certificate of Compliance 2002-028664)

That part of Lot A of the subdivisions of the Rancho San Simeon, as surveyed by V.H. Woods and delineated on the "Plat Showing Partition of that part of San Simeon RO (Rancho) owned by Ira Van Gorden Sr.", filed in the office of the Recorder of San Luis Obispo County, California, July 27, 1899 in Book B at Page 108 of Maps which is more particularly described as follows:

BEGINNING at stake LVG 3 at the Northeast corner of a tract of land containing 35.42 acres conveyed by Vine Van Gorden, Earl Van Gorden and Sherman Van Gorden to Mrs. Lora E. Van Gorden by deed dated August 16th, 1907, which said stake is on the Northerly line of Lot "A" beforenamed, and from which stake a sycamore 30 inches in diameter bears North 25° East, 9.90 feet and running thence South 21 1/4° East, 1164.24 feet to stake LVG 2; thence South 56 1/2° West, 1416.36 feet to post LVG No. 1 in Easterly line of the Cambria and San Simeon public road; thence on said road line South 33° East, 2503.38 feet; South 34 3/4° East, 151.80 feet to stake V. No. 1; thence North 66 3/4° East, 564.30 feet to stake VVG No. 2; thence North 25 1/4° East, 726.00 feet to stake VVG No. 3; thence North 23 1/2° East, 594.00 feet to stake VVG No. 4; thence North 52 3/4° East, 660.00 feet to stake VVG No. 5; thence North 25 1/2° East, 924.00 feet to post V. No. 6 in fence line; thence South 68° East, 2550.24 feet to stake VVG No. 7 in west line of the Murray Tract: thence along line of said Murray Tract North 1188.00 feet to stake IVG 7; set at the Northwest corner of the property conveyed to Fred Gamboni by deed recorded in Book 90, Page 473 of Deeds, records of said County, and the Southwest corner of the property conveyed to Domingo Machado and wife by deed recorded April 23, 1940, in Book 276 of Official Records, at Page 437, records of said County; thence along the Westerly line of the property so conveyed North 1/27/05 PAGE 69

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22°52' West, 2715.21 feet to a point on the North line of said Lot A, being the centerline of Pinal Creek; thence Southwesterly along the North line of said Lot A to stake LVG No. 3 in the Northeasterly line of a 35.42 acre parcel conveyed to Piedmont Land and Cattle Company, a corporation, by deed recorded in Book 102, of Deeds, at Page 450, records of said County being the point of beginning.

PARCEL J.R.-3 (Certificate of Compliance 2002-028665)

That part of Lot A of the subdivisions of the Rancho San Simeon, as surveyed by V.H. Woods and delineated on the "Plat Showing Partition of that part of San Simeon Ro. owned by Ira Van Gorden Sr.", in the County of San Luis Obispo, State of California, filed July 27, 1899 in Book B of Maps at Page 108 in the office of the Recorder of said County, more particularly described as follows:

Beginning at a post marked "No 6" at the most Southerly corner of said Lot "A" and at the West corner of Lot "D" of the beforenamed subdivision and running thence along fence on lot line North 52°15' East, 2145.00 feet to stake IVG 9 in Southerly line of Cambria and San Simeon public road; thence along road line North 54°15' West, 462.00 feet, North 54°45' West, 1163.58 feet, North 69° West, 291.72 feet to a point in said road line; thence North 66.00 feet to post VVG No. 8 in Northerly line of said road, 1023.00 feet to stake IVG 8 at Northwest corner of Lot "D"; thence East 2904.00 feet to stake IVG 6 in West line of the Murray Tract Rancho San Simeon; thence North 1848.00 feet to post VVG 7, in the last named line, whence stake IVG 7 bears North, 1188.00 feet; thence North 68° West 2550,24 feet to post V. No.6 in line of wire fence; thence South 25°15' West, 924.00 feet to stake VVG No. 5; thence South 52°45' West, 660.00 feet to stake VVG No. 4; thence South 23°15' West, 594,00 feet to stake VVG No. 3; thence South 25°15' West, 726.00 feet to stake VVG No. 2; thence South 66°45' West, 564.30 feet to stake V No. 1 in Easterly line of the public road beforenamed 614.46 feet to a point in Westerly line of said road, VVG No. 2; thence South 66°45' West, 564.30 feet to stake V No. 1 in Easterly line of the public road beforenamed: thence continuing South 66°45' West across road a distance of 50.16 feet to a point in Westerly line of said road; thence on said road line North 34°45' West, 142.56 feet to post S. No 2 at the East corner of the Arbuckle Tract, Rancho San Simeon; thence South 75° West, 1731.84 feet to post S.2HD on bank above shore of the Pacific Ocean; thence along the shore following the meanders thereof Southeasterly about 5214 feet to the Point of Beginning and containing 415.45 acres, including the area of the public road on the above last described tract conveyed to Vine Van Gorden; being the property conveyed to the party of the first part by that certain deed from Vine Van Gorden and Kate Van Gorden, his wife, dated October 14, 1913, and recorded November 6. 1913, in Book 98 of Deeds at Page 359 of the records of said County of San Luis Obispo.

TOGETHER WITH those portions of abandonment of right of way of the Cambria and San Simeon public road lying within the above described property as recorded January 9, 1939, in Volume 253 1/27/05 PAGE 70

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of Official Records at Page 41 records of said County.

ALSO TOGETHER WITH the contiguous one-half of abandonment of right of way as recorded June 2, 1933 in Book 134 of Official Records at Page 481 records of said County.

ALSO EXCEPTING therefrom Parcels 1 and 3 as described in the deed from Warren Junge to C.D. Investment Co. recorded May 11, 1962 in Book 1182 of Official Records at Page 649 records of said County.

ALSO EXCEPTING therefrom that real property described in the deed from Warren Junge to Sam C. deWeese, Jr. and May Belle DeWeese, husband and wife, recorded January 17, 1964 in Book 1279 of Official Records at Page 617 records of said County.

ALSO EXCEPTING therefrom that real property described in the deed from Warren Junge to the State of California recorded March 9, 1967 in Book 1427 of Official Records at Page 671 records of said County.

ALSO EXCEPTING therefrom that portion, if any, lying within the boundaries of the property shown on map entitled "Map of Survey of Parcels of Land in a portion of the Arbuckle Tract, Being in Lot A of Rancho San Simeon, San Luis Obispo County, California, at request of: Walter R. Southall" dated May 16, 1952, and filed May 22, 1952 in Book 6 of Records of Survey at Page 49 records of said County.

PARCEL J.R.-4 (Certificate of Compliance 2002-028666)

That part of Lot D of the subdivisions of the Rancho San Simeon, as surveyed by V.H. Woods and delineated on the "Plat Showing Partition of that part of San Simeon Ro (Rancho) owned by Ira Van Gorden Sr.", filed in the office of the County Recorder of San Luis Obispo County, State of California, filed July 27, 1899 in Book B of Maps at Page 108, and more particularly described as follows:

BEGINNING at a post marked "No. 6" at the most Southerly corner of said Lot "A" and at the West corner of Lot "D" of the before named subdivision and running thence along fence on lot line North 52°15' East, 2145.00 feet to stake IVG9 in Southerly line of Cambria and San Simeon public road and the True Point of Beginning; thence along road line and the lines described in the "Notice of Voluntary Merger" recorded March 29, 2002 in Document No. 2002-026344, records of said County, North 54°15' West, 462.00 feet, North 54°45' West, 1163.58 feet, North 69° West, 291.72 feet to a point in said road line; thence North 66.00 fet to post VVG No. 8 in Northerly line of said road, 1023.00 feet to stake IVG 8 at Northwest corner of Lot "D"; thence East 2904.00 feet to stake 1/27/05

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IVG 6, in West line of the Murray Tract, Rancho San Simeon; thence leaving said lines described in said "Notice of Voluntary Merger", South 990.00 feet to stake IVG 5; thence Southwesterly to stake IVG 9 and the True Point of Beginning.

EXCEPT therefrom the Southern one-half of abandonment of right of way of the Cambria and San Simeon public road fronting said lot, as recorded June 2, 1933, in Volume 134 of Official Records at Page 481 records of said County.

PARCEL J.R.-5 (Certificate of Compliance 2002-028667)

That portion of Lot A of the map showing partitions of the part of San Simeon Rancho, owned by Ira Van Gordon, Sr., in the County of San Luis Obispo, State of California, according to map filed for record July 27, 1899 in Book B of Maps at Page 108 in the office of the County Recorder of said County, described as follows:

Commencing at point D.N.2 at the most Southerly corner of the property shown on map recorded May 22, 1952 in Book 6 at Page 49 of Record of Surveys; thence North 62°29' East along the Southeasterly line of said property, 1291.04 feet to the true point of beginning; thence continuing North 62°29' East along said Southeasterly line, 184.25 feet; thence South 44°12' East, 224.26 feet; thence South 62°29' West, 203.00 feet; thence North 44°12' West, 218.87 feet; thence North 45°46' East, 17.96 feet to the true point of beginning.

(Parcel was approved as Parcel B of Plat 149, a subdivision approved by the County of San Luis Obispo, April 16, 1962.

The above parcel is Parcel 3 on the map filed in Book 12 of Records of Surveys at Page 36 on April 20, 1962, records of San Luis Obispo County).

PARCEL J.R.-6 (Certificate of Compliance 2002-028668)

That portion of Lot A of the map showing partitions of the part of San Simeon Rancho, owned by Ira Van Gorden, Sr., in the County of San Luis Obispo, State of California, according to map filed for record July 27, 1899 in Book B of Maps at Page 108 in the office of the County Recorder of said County, described as follows:

Commencing at point D.N.2 at the most Southerly corner of the property shown on map recorded May 22, 1952 in Book 6 at Page 49 of Record of Surveys; thence North 62°29' East along the Southeasterly line of said property, 428.21 feet to the true point of beginning; thence continuing North 62°29' East along said Southeasterly line, 463.04 feet; thence North 82°27'23" East, 53.60 1/27/05 PAGE 72

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feet; thence South 56°34'51" East, 125.93 feet; thence South 44°12' East, 205.26 feet; thence South 62°29' West, 536.12 feet; thence North 44°12' West, 339.28 feet to the true point of beginning.

(The above parcel is Parcel 1 on the map filed in Book 12 of Records of Surveys at Page 36 on April 20, 1962, records of San Luis Obispo County).

PARCEL J.R.-7 (Certificate of Compliance 2002-028669)

That portion of Lot A of the map showing partitions of the part of San Simeon Rancho, owned by Ira Van Gordon, Sr., in the County of San Luis Obispo, State of California, according to map filed for record July 27, 1899 in Book B of Maps at Page 108 in the office of the County Recorder of said County, described as follows:

Commencing at point D.N.2 at the most Southerly corner of the property shown on map recorded May 22, 1952 in Book 6 at Page 49 of Record of Surveys; thence North 62°29' East along the Southerly boundary of the parcels of land as shown on said Record of Survey Map, 428.21 feet to the most Westerly corner of Parcel 1 of the property conveyed to C.D. Investment Co., a limited partnership, et al., by deed dated November 28, 1961, and recorded May 11, 1962 in Book 1182 at Page 649 of Official Records; thence South 44°12' East along the Southeasterly line of said Parcel 1 of the property so conveyed, 339.28 feet to the most Southerly corner thereof; thence South 62°29' West, 613.62 feet to the ordinary high water line of the Pacific Ocean; thence Northwesterly, following the meanders of said high water line to a point which bears South 62°29' West, 30.70 feet from the point of beginning; thence North 62°29' East, 30.70 feet to the true point of beginning.

EXCEPTING therefrom any portion of said land lying outside of the patent lines of the San Simeon Rancho, as such lines existed at the time of the issuance of the patent which was not formed by the deposit of alluvion from natural causes and by imperceptible degrees.

(The above parcel is Parcel 2 on the map filed in Book 12 of Records of Surveys at Page 36 on April 20, 1962, records of San Luis Obispo County).

PARCEL J.R.-8 (Certificate of Compliance 2002-055087)

That portion of that property lying solely within the Rancho Piedra Blanca in the County of San Luis Obispo, State of California, described in the deed from Walter R. and Avonne A. Southall to Willard H. and Ermine I. Allen recorded August 10, 1954 in Book 767 of Official Records at Page 490 in the office of the County Recorder of San Luis Obispo County.

TOGETHER WITH that property described in the Certificate of Compliance recorded April 4, 1/27/05 PAGE 73

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2002 as Document No. 2002-028670, described as follows:

The Southwesterly remainder of the Rancho Piedra Blanca in the County of San Luis Obispo, State of California of that property described in the deed from Walter R. Southall and Avonne A. Southall to The Hearst Corporation recorded August 6, 1954, in Book 767 of Official Records at Page 274, records of said County, after excepting therefrom that property described in the deed from The Hearst Corporation to Walter R. Southall and Avonne A. Southall recorded August 6, 1954, in Book 767 of Official Records at Page 275, records of said County, described as follows:

Beginning at the Southerly terminus of the course described as South 9°01'20" West, 169.55 feet in said deed recorded in Book 767 of Official Records at Page 274; thence along the Northwesterly line of just said deed South 33°56' West, 131.97 feet to the Westerly terminus of the line described as South 73°03'40" West, 61.81 feet in said deed recorded in Book 767 of Official Records at Page 275; thence along the lines of just said deed North 73°03'40" East, 61.81 feet; thence North 9°01'20" East, 92.60 feet to the Point of Beginning.

ALSO TOGETHER WITH that property described in the Certificate of Compliance recorded April 4, 2002 as Document No. 2002-028671, described as follows:

The Northeasterly remainder of the Rancho Piedra Blanca in the County of San Luis Obispo, State of California of that property described in the deed from Walter R. Southall and Avonne A. Southall to The Hearst Corporation recorded August 6, 1954, in Book 767 of Official Records at Page 274, records of said County, after excepting therefrom that property described in the deed from The Hearst Corporation to Walter R. Southall and Avonne A. Southall recorded August 6, 1954, in Book 767 of Official Records at Page 275, records of said County, described as follows:

Beginning at stake S#6 as described in said deed recorded in Book 767 of Official Records at Page 274; thence along the Northwesterly line of the property described in said deed South 33°56' West, 824.94 feet to the Northwesterly line of the property described in said deed recorded in Book 767 of Official Records at Page 275; thence along said Northwesterly line North 52°46'15" East, 233.74 feet to an angle point in said Northwesterly line; thence continuing along said Northwesterly line North 30°35'20" East, 607.55 feet to the Northeasterly line of the property described in said deed recorded in Book 767 of Official Records at Page 274; thence along said Northeasterly line North 60° West, 40.21 feet to said stake S#6 and the Point of Beginning.

EXCEPTING therefrom the first portion hereinabove described that portion excepted in deed recorded in Book 1407 of Official Records at Page 204, records of said County.

ALSO EXCEPTING therefrom all oil, gas and hydrocarbon substances and all mineral of every 1/27/05 PAGE 74

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description as reserved in the deed recorded August 6, 1954 in Book 767 of Official Records at Page 275, records of said County.

PARCEL J.R.-9 (Certificate of Compliance 2002-055088)

That Northerly portion of that property lying solely within the Rancho Piedra Blanca in the County of San Luis Obispo, State of California, described in the deed from Walter R. and Avonne A. Southall to Willard H. and Ermine I. Allen recorded August 10, 1954 in Book 767 of Official Records at Page 490 in the office of the County Recorder of San Luis Obispo County, the said Northerly portion lying Northerly of the courses described in said deed as South 85°16'10" East, 275.31 feet, North 79°50' East, 164.55 feet and South 40°17' East 124.29 feet.

EXCEPTING therefrom all oil, gas and hydrocarbon substances and all mineral of every description as reserved in the deed recorded August 6, 1954 in Book 767 of Official Records at Page 275, records of said County.

PARCEL J.R.-10 (Certificate of Compliance 2002-055089)

That Southerly portion of that property lying solely within the Rancho Piedra Blanca in the County of San Luis Obispo, State of California, described in the deed from Walter R. and Avonne A. Southall to Willard H. and Ermine I. Allen recorded August 10, 1954 in Book 767 of Official Records at Page 490 in the office of the County Recorder of San Luis Obispo County, the Southerly portion lying Southerly and Westerly of the courses described in said deed as North 16°50' West, 388.32 feet and North 1°18' East, 297.03 feet.

EXCEPTING therefrom the above described property that which was excepted in Book 1407 of Official Records at Page 204, records of said County.

ALSO EXCEPTING therefrom all oil, gas and hydrocarbon substances and all mineral of every description as reserved in the deed recorded August 6, 1954 in Book 767 of Official Records at Page 275, records of said County.

LA CRUZ ROCK

Lot 1 of Section 3 in Township 26 South, Range 6 East, of the Mount Diablo Meridian in the County of San Luis Obispo, State of California, according to the official plat of said land approved November 25, 1929, known as La Cruz Rock and described in the field notes of the survey of meander lines of said lot by Francis E. Joy, U.S. Cadastral Engineer, accepted January 22, 1930, as follows:

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COMMENCING at Corner No. 2 of the U.S. Lighthouse Reserve in said section which is a cement post, flush with the surface, 10 inches square, marked on top "U S L H"; thence North 30°09' West, 250.35 chains (16,523.10 feet) to a cross (X) on solid rock on the island and the TRUE POINT OF BEGINNING; thence

- 1. North 30°45' West, 1.29 chains (85.14 feet); thence
- 2. South 67°00' West, 1.28 chains (84.48 feet); thence
- 3. South 0°45' West, 2.56 chains (168.96 feet); thence
- 4. North 44°00' East, 2.70 chains (178.20 feet) to the TRUE POINT OF BEGINNING.

Containing 0.32 acres more or less.

OUTER ISLET

Lot 1 of Section 23 of Township 26 South, Range 6 East, of the Mount Diablo Meridian in the County of San Luis Obispo, State of California, according to the official plat of said land approved November 25, 1929, known as Outer Islet and described in the field notes of the survey of meander lines of said lot by Francis E. Joy, U.S. Cadastral Engineer, accepted January 22, 1930, as follows:

COMMENCING at Corner No. 3 of the U.S. Lighthouse Reserve in said section which is a cement post, flush with the surface, 10 inches square, marked on top "U S L H"; thence South 71°16' West, 28.08 chains (1,853.28 feet) to a brass tablet, 4 inches diameter, in cement, marked "AMC T26S R6E 1929" on the island and the TRUE POINT OF BEGINNING; thence

- 1. South 33°45' West, 5.35 chains (353.10 feet); thence
- 2. South 39°00' West, 1.34 chains (88.44 feet); thence
- 3. North 46°15' West, 2.01 chains (132.66 feet); thence
- 4. North 18°00' West, 1.94 chains (128.04 feet); thence
- 5. North 11°30' East, 2.55 chains (168.30 feet); thence
- 6. South 87°15' East, 5.36 chains (353.76 feet) to the TRUE POINT OF BEGINNING.

Containing 1.98 acres more or less.

PIEDRA BLANCA NO. 1

Lot 1 of Section 24 of Township 26 South, Range 6 East, of the Mount Diablo Meridian in the County of San Luis Obispo, State of California, according to the official plat of said land approved November 25, 1929, known as Piedra Blanca No. 1 and described in the field notes of the survey of meander lines of said lot by Francis E. Joy, U.S. Cadastral Engineer, accepted January 22, 1930, as follows:

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COMMENCING at Corner No. 3 of the U.S. Lighthouse Reserve in said section which is a cement post, flush with the surface, 10 inches square, marked on top "U S L H"; thence South 57°27' East, 71.11 chains (4,693.26 feet) to a cross (X) on a rock 4x4x3 feet lying on the highest point of the island and the TRUE POINT OF BEGINNING; thence

- 1. North 45°30' West, 87 links (57.42 feet); thence
- 2. South 65°00' East, 69 links (45.54 feet); thence
- 3. South 47°45' East, 103 links (67.98 feet); thence
- 4. South, 83 links (54.78 feet); thence
- 5. North 70°45' West, 137 links (90.42 feet); thence
- 6. North 41°30' East, 94 links (62.04 feet); thence
- 7. North 74°15' West, 12 links (7.92 feet) to the TRUE POINT OF BEGINNING.

Containing 0.11 acres more or less.

PIEDRA BLANCA NO. 2

Lot 2 of Section 24 of Township 26 South, Range 6 East, of the Mount Diablo Meridian in the County of San Luis Obispo, State of California, according to the official plat of said land approved November 25, 1929, known as Piedra Blanca No. 2 and described in the field notes of the survey of meander lines of said lot by Francis E. Joy, U.S. Cadastral Engineer, accepted January 22, 1930, as follows:

COMMENCING at Corner No. 3 of the U.S. Lighthouse Reserve in said section which is a cement post, flush with the surface, 10 inches square, marked on top "U S L H"; thence South 56°24' East, 74.38 chains (4,909.08 feet) to a cross (X) on a solid rock on the island and the TRUE POINT OF BEGINNING; thence

- 1. South 13°00' East, 0.85 chains (56.10 feet); thence
- 2. South 22°15' West, 1.00 chains (66.00 feet); thence
- 3. South 58°00' West, 1.04 chains (68.64 feet); thence
- 4. North 71°00' West, 0.20 chains (13.20 feet); thence
- 5. North 18°00' West, 1.01 chains (66.66 feet); thence
- 6. North 13°15' East, 1.01 chains (66.66 feet); thence
- 7. North 60°45' East, 1.20 chains (79.20 feet); thence
- 8. South 45°00' East, 0.40 chains (26.40 feet) to the TRUE POINT OF BEGINNING.

Containing 0.30 acres more or less.

Excepting therefrom, all coal and other minerals, together with the right to prospect for, mine and 1/27/05 PAGE 77

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remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 (39 Stat., 862) as reserved by the United States in the following patents:

Book	Page	Rec Date	Township	Range	Section	Description
K	135	04/15/1921	25S	6E	01	S1/2 OF NE1/4
K	194	04/24/1922	25S	6E	13	SW1/4 OF NE1/4, E1/2 OF SE1/4, S1/2 OF NW1/4, NW1/4 OF NW1/4
0214	206	03/15/1937	25S	7E	02	SW1/4 OF NW1/4, W1/2 OF SW1/4
K	427	11/29/1927	25S	7E	02	LOT 3, SE1/4 OF NW1/4, E1/2 OF SW1/4
K	135	04/15/1921	25S	7E	06	LOTS 4 AND 5, SE1/4 OF NW1/4
K	278	10/04/1923	25S	7E	07	SE1/4 OF SW1/4
0214	206	03/15/1937	25S	7E	11	S1/2 OF SE1/4
K	427	11/29/1927	25S	7E	11	W1/2 OF NE1/4, N1/2 OF SE1/4,NE1/4 OF NW1/4
K	538	11/10/1931	25S	7E	13	NW1/4, NW1/4 OFNE1/4, S1/2 OF NE1/4, SE1/4, NE1/4 OF SW1/4,LOT 2
K	278	10/04/1923	25S	7E	17	SW1/4 OF SE1/4, SW1/4
K	194	04/24/1922	25S	7E	18	LOTS 3 AND 4
K	278	10/04/1923	25S	7E	18	W1/2 OF NE1/4, SE1/4 OF NE1/4, NE1/4 OF NW1/4,SE1/4, E1/2 OF SW1/4
K	194	04/24/1922	25S	7E	19	LOTS 1 AND 2, SE1/4 OF NW1/4, SW1/4 OF NE1/4
K	257	05/18/1923	25S	7E	19	E1/2 OF NE1/4, NW1/4 OF

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Book	Page	Rec Date	Township	Range	Section	Description
	 		<u> </u>			NE1/4
K	257	05/18/1923	25S	7E	20	LOTS 2 AND 3, SW1/4 OF NE1/4, W1/2 OF NW1/4, SE1/4 OF NW1/4
K	378	08/09/1926	25S	7E	24	LOT 2
K	538	11/10/1931	25S	7E	24	LOT 1, N1/2 OF NE1/4
K	472	05/09/1929	25S	8E	05	W1/2 OF LOT 4, LOTS 7, 8, 9 AND 10, W1/2 OF SE1/4, SE1/4 OF SE1/4
K	556	03/20/1933	25S	8E	05	LOT 12
0192	126	04/22/1936	25S	8E	06	LOTS 4, 5, 6, 10, 11, 12, 13, 14, 15 AND 17, NE1/4 OF SW1/4, N1/2 OF SE1/4
K	472	05/09/1929	25S	8E	06	LOT 9
0214	206	03/15/1937	25S	8E	07	LOTS 9, 10, 11 AND 12
K	498	06/05/1930	25S	8E	07	LOTS 1,2, 4, 5, 6 AND 7
K	472	05/09/1929	25S	8E	08	NE1/4 OF NE1/4
K	472	05/09/1929	25S	8E	09	N1/2 OF NW1/4
K	281	10/19/1923	25S	8E	10	SW1/4 OF SW1/4
K	430	12/16/1927	25S	8E	14	E1/2 OF NW1/4
K	281	10/19/1923	25S	8E	15	NW1/4, NE1/4 OF SW1/4, N1/2 OF SE1/4, SE1/4 OF SE1/4
0214	206	03/15/1937	25S	8E	18	LOTS 3, 4, 5, 6 AND 7
K	378	08/09/1926	25S	8E	18	LOT 1, SW1/4 OF SE1/4
K	378	08/09/1926	25S	8E	19	NE1/4 OF NE1/4
K	378	08/09/1926	25S	8E	20	N1/2 OF NW1/4, SE1/4 OF NW1/4
K	477	07/20/1929	25S	8E	21	S1/2 OF NE1/4, SE1/4 OF SE1/4
K	563	05/29/1933	25S	8E	21	SW1/4 OF NW1/4, SW1/4
K	357	12/30/1925	25S	8E	22	SE1/4 OF NE1/4
K	477	07/20/1929	258	8E	22	S1/2 OF SW1/4, NE1/4 OF SW1/4, SW1/4 OF SE1/4
0294	105	04/02/1941	25\$	8E	23	S1/2 OF SE1/4, NE1/4 OF SW1/4

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Book	Page	Rec Date	Township	Range	Section	Description
K	357	12/30/1925	25S	8E	23	NW1/4 OF SW1/4
0294	105	04/02/1941	25S	8E	25	N1/2 OF NW1/4
K	477	07/20/1929	25S	8E	25	S1/2 OF NW1/4, NE1/4 OF
]			SW1/4, SW1/4 OF SW1/4
K	357	12/30/1925	25S	8E	26	N1/2 OF NE1/4, SE1/4 OF
						NE1/4, NE1/4 OF NW1/4
0294	104	04/02/1941	25S	8E	27	S1/2 OF SW1/4
K	477	07/20/1929	25S	8E	27	N1/2 OF NW1/4
K	569	10/02/1933	25S	8E	27	SW1/4 OF NW1/4
K	598	10/22/1935	25S	8E	27	NE1/4, SE1/4 OF NW1/4,
			Į			N1/2 OF SW1/4,W1/2 OF
						SE1/4
K	477	07/20/1929	25S	8E	28	NE1/4 OF NE1/4
K	569	10/02/1933	25S	8E	28	SE1/4 OF NW1/4, W1/2 OF
]				NE1/4, SE1/4 OF NE1/4,
K	598	10/22/1935	25S	8E	28	N1/2 OF SE1/4, SE1/4 OF
						SW1/4
K	569	10/02/1933	25S	8E	29	NE1/4 OF NE1/4
K	566	06/29/1933	25S	8E	32	LOT 1, 2 AND 3
K	568	07/21/1933	25S	8E	32	SE1/4 OF NE1/4, NE1/4 OF
						SE1/4
K	476	07/01/1929	25S	8E	33	NE1/4 OF NE1/4
K	568	07/21/1933	25S	8E	33	SW1/4 OF NE1/4, W1/2 OF
						SE1/4, S1/2 OF NW1/4,
		ł				SW1/4
K	590	02/18/1935	25S	8E	33	SE1/4 OF NE1/4, E1/2 OF
		<u> </u>				SE1/4
K	598	10/22/1935	25S	8E	33	NW1/4 OF NE1/4
0294	104	04/02/1941	25S	8E	34	E1/2 OF NW1/4, S1/2 OF
						NE1/4, E1/2 OF SE1/4
K	476	07/01/1929	25S	8E	34	W1/2 OF NW1/4
K	598	10/22/1935	25S	8E	34	N1/2 OF NE1/4
0294	104	04/02/1941	25S	8E	35	W1/2 OF SW1/4
0294	105	04/02/1941	25S	8E	35	SW1/4 OF NW1/4
K	477	07/20/1929	25S	8E	35	N1/2 OF NE1/4
K	535	10/03/1931	25S	8E	35	SW1/4 OF SE1/4, NW1/4 OF

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Book	Page	Rec Date	Township	Range	Section	Description
			1	<u> </u>	 	SE1/4
K	590	02/18/1935	25S	8E	35	SE1/4 OF NW1/4, E1/2 OF SW1/4
K	598	10/22/1935	25S	8E	35	NW1/4 OF NW1/4
K	571	11/29/1933	26S	8E	01	E1/2 OF SE1/4
K	597	09/11/1935	26S	8E	01	LOTS 1, 2, 3 AND 4, W1/2 OF SE1/4, NE1/4 OF SW1/4, SW1/4 OF SW1/4
K	590	02/18/1935	268	8E	02	LOTS 3 AND 4, N1/2 OF SW1/4, SW1/4 OF SW1/4
K	597	09/11/1935	26S	8E	02	SE1/4 OF SE1/4
K	571	11/29/1933	26S	8E	03	LOTS 6 AND 7
K	590	02/18/1935	268	8E	03	LOT 1, N1/2 OF SE1/4, N1/2 OF SW1/4
K	597	09/11/1935	26S	8E	03	LOT 4
K	568	07/21/1933	268	8E	04	LOTS 3, 4, 5, 7 AND 8, SW1/4 OF SE1/4
K	590	02/18/1935	26S	8E	04	LOTS 1 AND 2, NE1/4 OF SE1/4
K	568	07/21/1933	26S	8E	05	LOTS 1 AND 2
K	571	11/29/1933	26S	8E	10	SE1/4 OF SE1/4
K	571	11/29/1933	26S	8E	11	SW1/4 OF SW1/4
K	597	09/11/1935	26S	8E	11	NW1/4 OF NE1/4
K	571	11/29/1933	268	8E	12	N1/2 OF NE1/4, SE1/4 OF NE1/4
K	571	11/29/1933	26S	8E	13	NW1/4 OF SW1/4
K	571	11/29/1933	26\$	8E	14	N1/2 OF N1/2, SE1/4 OF NE1/4
K	571	11/29/1933	26S	8E	15	NE1/4 OF NE1/4

Excepting therefrom 1/16 of all coal, oil, gas and other mineral deposits, contained in said lands, as provided by the act of the Legislature approved May 25, 1921 Chapter 303, Statues of California, 1921 as reserved by the State of California in the following patents:

Book	Page Rec Date	Page	Township	Range	Section	Description
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Book	Page	Rec Date	Township	Range	Section	Description
K	511	11/17/1930	25S	6E	12	W1/2 OF NE1/4
K	436	02/20/1928	25S	7E	01	SW1/4 OF NW1/4
K	436	02/20/1928	25S	7E	02	LOT 1
K	574	02/08/1934	25S	7E	04	LOTS 2 AND 3
K	363	03/20/1926	25S	7E	05	LOTS 1, 2, 5, 6 AND 10
K	252	05/11/1923	25S	7E	07	LOT 1, SW1/4 OF SE1/4
K	363	03/20/1926	25S	7E	08	SE1/4 OF NW1/4
K	252	05/11/1923	25S	7E	18	LOT 2
K	367	04/21/1926	25S	7E	18	SE1/4 OF NW1/4
K	252	05/11/1923	25S	7E	19	NE1/4 OF NW1/4, SE1/4
K	252	05/11/1923	25S	7E	20	NW1/4 OF SE1/4, SW1/4
K	252	05/11/1923	25S	7E	29	NW1/4 OF NW1/4
K	252	05/11/1923	25S	7E	30	NE1/4 OF NE1/4
K	402	03/08/1927	258	8E	16	N1/2 OF NW1/4, SW1/4 OF NW1/4
K	515	01/21/1931	25S	8E	36	SE1/4 OF NW1/4, SW1/4
K	042	08/20/1927	26S	8E	14	SW1/4 OF NE1/4
K	307	05/05/1924	26S	8E	23	LOT 3

Excepting therefrom, all oil and gas, together with the right to prospect for, mine and remove the oil and gas owned by the United States under applicable law and such regulations as the Secretary of Interior may prescribe as reserved by the United States in the following patents:

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Book	Page	Rec Date	Township	Range	Section	Description
3239	366	12/07/1988	25S	7E	02	LOT 4
3239	366	12/07/1988	25S	7E	03	LOTS 2, 3 AND 4, SW1/4 OF NE1/4, S1/2 OF NW1/4, N1/2 OF SW1/4, NW1/4 OF SE1/4
3239	366	12/07/1988	258	7E	04	LOT 1, S1/2 OF NE1/4, N1/2 OF SE1/4, SE1/4 OF SE1/4
3239	366	12/07/1988	25S	8E	04	LOTS 3, 4, 5 AND 8, W1/2 OF LOT 7, SW1/4, W1/2 OF SE1/4
3239	366	12/07/1988	25S	8E	05	LOTS 1, 2, 3, 5, 6, 11, 13 AND 14, E1/2 OF LOT 4, NE1/4 OF SE1/4
3239	366	12/07/1988	25S	8E	06	LOT 16
3239	366	12/07/1988	25S	8E	08	W1/2 OF NE1/4, E1/2 OF NW1/4, NW1/4 OF NW1/4, NE1/4 OF SW1/4
3239	366	12/07/1988	25S	8E	09	SE1/4 OF NE1/4, NE1/4 OF SE1/4
3239	366	12/07/1988	25S	8E	10	S1/2 OF NE1/4, SE1/4
3239	366	12/07/1988	25S	8E	15	NE1/4
3239	366	12/07/1988	25S	8E	17	SW1/4, SW1/4 OF SE1/4
3239	366	12/07/1988	258	8E	18	N1/2 OF SE1/4, SE1/4 OF SE1/4
3239	366	12/07/1988	25S	8E	23	NW1/4 OF NE1/4, S1/2 OF NE1/4, N1/2 OF SE1/4,NE1/4 OF NW1/4
3239	366	12/07/1988	25S	8E	26	S1/2 OF SW1/4
3239	366	12/07/1988	25S	8E	28	S1/2 OF SE1/4

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3239	366	12/07/1988	25S	8E	35	NE1/4 OF NW1/4
3239	366	12/07/1988	25S	9E	01	NE1/4 OF SE1/4
3239	366	12/07/1988	25S	9E	19	SE1/4 OF NE1/4
3239	366	12/07/1988	25S	9E	28	S1/2 OF SE1/4
3239	366	12/07/1988	25S	9E	29	NE1/4 OF NW1/4
3290	719	03/30/1989	258	9E	31	LOTS 3 AND 4, SE1/4 OF NW1/4, NE1/4 OF SW1/4
3290	719	03/30/1989	26S	8E	03	LOTS 2 AND 3
3290	719	03/30/1989	26S	8E	16	LOT 1

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Excepting therefrom, all oil and gas, together with the right to prospect for, mine and remove the oil and gas owned by the United States under applicable law and such regulations as the Secretary of Interior may prescribe as reserved by the United States in the following patents:

Book	Page	Rec Date	Township	Range	Section	Description
3239	366	12/07/1988	25S	7E	02	LOT 4
3239	366	12/07/1988	25S	7E	03	LOTS 2, 3 AND 4, SW1/4 OF NE1/4, S1/2 OF NW1/4, N1/2 OF SW1/4, NW1/4 OF SE1/4
3239	366	12/07/1988	25\$	7E	04	LOT 1, S1/2 OF NE1/4, N1/2 OF SE1/4, SE1/4 OF SE1/4
3239	366	12/07/1988	25S	8E	04	LOTS 3, 4, 5 AND 8, W1/2 OF LOT 7, SW1/4, W1/2 OF SE1/4
3239	366	12/07/1988	25S	8E	05	LOTS 1, 2, 3, 5, 6, 11, 13 AND 14, E1/2 OF LOT 4, NE1/4 OF SE1/4
3239	366	12/07/1988	25S	8E	06	LOT 16
3239	366	12/07/1988	25S	8E	08	W1/2 OF NE1/4, E1/2 OF NW1/4, NW1/4 OF NW1/4, NE1/4 OF SW1/4
3239	366	12/07/1988	25S	8E	09	SE1/4 OF NE1/4, NE1/4 OF SE1/4
3239	366	12/07/1988	25\$	8E	10	S1/2 OF NE1/4, SE1/4
3239	366	12/07/1988	25S	8E	15	NE1/4
3239	366	12/07/1988	25S	8E	17	SW1/4, SW1/4 OF SE1/4
3239	366	12/07/1988	25S	8E	18	N1/2 OF SE1/4, SE1/4 OF SE1/4
3239	366	12/07/1988	25S	8E	23	NW1/4 OF NE1/4, S1/2 OF NE1/4, N1/2 OF SE1/4,NE1/4 OF NW1/4
3239	366	12/07/1988	25S	8E	26	S1/2 OF SW1/4
3239	366	12/07/1988	25S	8E	28	S1/2 OF SE1/4
3239	366	12/07/1988	25S	8E	35	NE1/4 OF NW1/4

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Book	Page	Rec Date	Township	Range	Section	Description
3239	366	12/07/1988	25S	9E	01	NE1/4 OF SE1/4
3239	366	12/07/1988	25S	9E	19	SE1/4 OF NE1/4
3239	366	12/07/1988	25S	9E	28	S1/2 OF SE1/4
3239	366	12/07/1988	25S	9E	29	NE1/4 OF NW1/4
3290	719	03/30/1989	258	9E	31	LOTS 3 AND 4, SE1/4 OF NW1/4, NE1/4 OF SW1/4
3290	719	03/30/1989	26S	8E	03	LOTS 2 AND 3
3290	719	03/30/1989	26S	8E	16	LOT 1

Excepting therefrom all minerals together with the right to prospect for, mine and remove minerals owned and reserved by the United States as reserved by the United States in the following patent:

Bool	Page	Rec Date	Township	Range	Section	Description
3290	719	03/30/1989	26S	8E	03	LOT 5

Excepting therefrom said Lot 2, Section 3, Township 25S, Range 6E, an undivided 1/16 of all coal, oil, oil shale, gas, phosphate, sodium and other mineral deposits in said land as reserved to the State of California by provisions of an Act of Legislature, Statues of 1921, page 404 and amendments thereto.

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Title Order Number:

File Number:

4009-1687885

Exhibit "B" East Side Easement Including Junge East Side Legal Description

Real property in the City of San Simeon, County of San Luis Obispo, State of California, described as follows:

PARCEL 1: (Certificate of Compliance 2001-067946)

Government Lot 2 of Section 3, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 2: (Certificate of Compliance 2001-067947)

Government Lots 2, 3 and 4 of Section 2; and Government Lot 1 of Section 3, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 3: (Certificate of Compliance 2001-067948)

The Northwest Quarter of the Southeast Quarter, the Southwest Quarter of the Northeast Quarter, and the South half of the Northwest Quarter of Section 2 , Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 4: (Certificate of Compliance 2001-067949)

The East half of the Southwest Quarter of Section 2, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 5: (Certificate of Compliance 2001-067950)

The West half of the Northwest Quarter of Section 11; and the West half of the Southwest Quarter of Section 2, all In Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 6: (Certificate of Compliance 2001-067951)

The South half of the Southeast Quarter of Section 2; and the Northwest Quarter of the Northeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 11, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California,

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according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 7: (Certificate of Compliance 2001-067952)

The Southeast Quarter of the Northwest Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 8: (Certificate of Compliance 2001-067953)

The Southwest Quarter of the Northeast Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 9: (Certificate of Compliance 2001-067954)

The East half of the Northeast Quarter of Section 11; and the Southwest Quarter of the Northwest Quarter, and the Northwest Quarter of the Southwest Quarter of Section 12, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 10: (Certificate of Compliance 2001-067955)

The Northeast Quarter of the Southeast Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 11: (Certificate of Compliance 2001-067956)

The North half of the Southwest Quarter and the Northwest Quarter of the Southeast Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 12: (Certificate of Compliance 2001-067957)

The Southwest Quarter of the Southwest Quarter of Section 11, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 13: (Certificate of Compliance 2002-028672)

A portion of that real property situated in the County of San Luis Obispo, State of California, described in the deed recorded April 29, 1946 in the Office of the County Recorder of said County in Volume 399 of Official Records at Page 429, more particularly described as follows:

The Southeast Quarter of the Southeast Quarter in Section 10, the East half of the Northeast Quarter, and that portion of Lot 6 lying Northerly of the road as said road existed March 2, 1942 all in Section 15, Township 25 North, Range 6 East, Mount Diablo Base and Meridian in the County of San Luis Obispo, State of California.

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PARCEL 14: (Certificate of Compliance 2002-028673)

A portion of that real property situated in the County of San Luis Obispo, State of California, described in the deed recorded April 29, 1946 in the Office of the County Recorder of said County in Volume 399 of Official Records at Page 429, more particularly described as follows:

The Northwest Quarter of the Northeast Quarter, the Northeast Quarter of the Northwest Quarter, Lots 2, 3, 4 and that portion of Lot 5 lying Northerly of the road as said road existed March 2, 1942 all in Section 15, Township 25 North, Range 6, Mount Diablo Base and Meridian in the County of San Luís Obispo, State of California.

PARCEL 15: (Certificate of Compliance 2001-067958)

The Northwest Quarter of the Southwest Quarter of Fractional Section 14, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 16: (Certificate of Compliance 2001-067959)

The West half of the Northwest Quarter, the Southeast Quarter of the Northwest Quarter and the Northeast Quarter of the Southwest Quarter of Fractional Section 14, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 17: (Certificate of Compliance 2001-067960)

The West half of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter and the Northeast Quarter of the Northwest Quarter of Fractional Section 14, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 18: (Certificate of Compliance 2001-067961)

The South half of the Southeast Quarter, and the Southeast Quarter of the Southwest Quarter of Section 11; and the Northeast Quarter of the Northeast Quarter of Fractional Section 14, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 19: (Certificate of Compliance 2001-067962)

The Southeast Quarter, the Southeast Quarter of the Southwest Quarter, and Government Lot 1 of Fractional Section 14; and South half of the Southwest Quarter of Section 13, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 20: (Certificate of Compliance 2001-067963)

Government Lots 1 and 3, and the North half of the Northeast Quarter of Fractional Section 23, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of

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California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 21: (Certificate of Compliance 2001-067964)

Government Lot 2 of Fractional Section 23, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 22: (Certificate of Compliance 2001-067965)

Government Lot 4 of Fractional Section 23, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 23: (Certificate of Compliance 2001-067966)

Government Lots 1 and 2, and the Southwest Quarter of the Southeast Quarter of Fractional Section 24; and Government Lot 1 of Fractional Section 25, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 24: (Certificate of Compliance 2001-067967)

The South half of the North half, the North half of the Southeast Quarter, the Southeast Quarter of the Southeast Quarter, and the Northeast Quarter of the Southwest Quarter of Fractional Section 24, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 25: (Certificate of Compliance 2001-067968)

The North half of the Northeast Quarter and the North half of the Northwest Quarter of Fractional Section 24, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 26: (Certificate of Compliance 2001-067969)

The North half of the Southwest Quarter and the West half of the Southeast Quarter of Section 13, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 27: (Certificate of Compliance 2001-067970)

The East half of the Southeast Quarter of Section 13, in Township 25 South, Range 6 East; Government Lots 3 and 4 of Section 18, in Township 25 South, Range 7 East; and Government Lots 1 and 2, the Southeast Quarter of the Northwest Quarter, and the Southwest Quarter of the Northeast Quarter of Section 19, in Township 25 South, Range 7 East, of the Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to

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the General Land Office by the Surveyor General.

PARCEL 28: (Certificate of Compliance 2001-067971)

The Southwest Quarter of the Northeast Quarter, South half of the Northwest Quarter, and the Northwest Quarter of the Northwest Quarter of Section 13, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 29: (Certificate of Compliance 2001-067972)

The Southeast Quarter of the Southeast Quarter of Section 12; and the North half of the Northeast Quarter and the Southeast Quarter of the Northeast Quarter of Section 13, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 30: (Certificate of Compliance 2001-067973)

All of the Southwest Quarter of the Southeast Quarter and all that part of the South half of the Southwest Quarter of Section 12 which lies East of the San Carpoforo Creek; and the Northeast Quarter of the Northwest Quarter of Section 13, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 31: (Certificate of Compliance 2001-067974)

All that part of the South half of the Southwest Quarter of Section 12 which lies West of the San Carpoforo Creek, in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 32: (Certificate of Compliance 2001-067975)

The Northeast Quarter of the Southwest Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 33: (Certificate of Compliance 2001-067976)

The Northeast Quarter of the Southeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 34: (Certificate of Compliance 2001-067977)

The South half of the Southeast Quarter of Section 1; and the East half of the Northeast Quarter of Section 12, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 35: (Certificate of Compliance 2001-067978)

The West half of the Northeast Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 36: (Certificate of Compliance 2001-067979)

The Northwest Quarter of the Northwest Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 37: (Certificate of Compliance 2001-067980)

The Northeast Quarter of the Northwest Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 38: (Certificate of Compliance 2001-067981)

The Southeast Quarter of the Northwest Quarter of Section 12, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 39: (Certificate of Compliance 2001-067982)

The Southeast Quarter of the Southwest Quarter of Section 1, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 40: (Certificate of Compliance 2001-067983)

The Northwest Quarter of the Southeast Quarter, and the Northeast Quarter of the Southeast Quarter of Section 1, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 41: (Certificate of Compliance 2001-067984)

The North half of the Southwest Quarter, and the Southwest Quarter of the Southwest Quarter of Section 1; and the Northeast Quarter of the Southeast Quarter of Section 2, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 42: (Certificate of Compliance 2001-067985)

Government Lot 1, and the Southeast Quarter of the Northeast Quarter of Section 2; and the South half of the Northwest Quarter of Section 1, all in Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 43: (Certificate of Compliance 2001-067986)

Government Lots 1, 2, 3 and 4 of Section 1, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 44: (Certificate of Compliance 2001-067987)

South half of the Northeast Quarter of Section 1, in Township 25 South, Range 6 East; and Government Lots 4 and 5 and the Southeast Quarter of the Northwest Quarter of Section 6, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 45: (Certificate of Compliance 2001-067988)

Government Lot 6 of Section 6, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 46: (Certificate of Compliance 2001-067989)

Government Lot 7, and East half of the Southwest Quarter of Section 6; and of the Northeast Quarter of the Northwest Quarter of Section 7, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 47: (Certificate of Compliance 2001-067990)

Government Lots 2 and 3, the Southwest Quarter of the Northeast Quarter, and the Northwest Quarter of the Southeast Quarter of Section 6, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 48: (Certificate of Compliance 2001-067991)

The Southwest Quarter of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 6, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 49: (Certificate of Compliance 2001-067992)

Government Lot 2, the Southeast Quarter of the Northwest Quarter, and the West half of the Northeast of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 50: (Certificate of Compliance 2001-067993)

Government Lot 1 of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said

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Land, returned to the General Land Office by the Surveyor General.

PARCEL 51: (Certificate of Compliance 2001-067994)

The Northeast Quarter of the Northeast Quarter of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 52: (Certificate of Compliance 2001-067995)

The Southeast Quarter of the Northeast Quarter, and the Northeast Quarter of the Southeast Quarter of Section 7; and the Southwest Quarter of the Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Fractional Section 8, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 53: (Certificate of Compliance 2001-067996)

The Northwest Quarter of the Southeast Quarter of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 54: (Certificate of Compliance 2001-067997)

Government Lots 3 and 4, and the Northeast Quarter of the Southwest Quarter of Section 7; and Government Lot 1 of Section 18, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 55: (Certificate of Compliance 2001-067998)

The Southwest Quarter of the Southeast Quarter, and the Southwest Quarter of Fractional Section 17; the West half of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter, the Northeast Quarter of the Northwest Quarter, the Southeast Quarter, and the East half of the Southwest Quarter of Section 18; and the Southeast Quarter of the Southwest Quarter Section 7, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 56: (Certificate of Compliance 2003-080699)

The Southwest Quarter of the Southeast Quarter of Section 7, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 57: (Certificate of Compliance 2001-068000)

The Southeast Quarter of the Southeast Quarter of Section 7; the Southwest Quarter of the Southwest Quarter of Fractional Section 8; the Northwest Quarter of the Northwest Quarter of Fraction Section 17; and the Northeast Quarter of the Northeast Quarter of Section 18, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 58: (Certificate of Compliance 2001-068001)

The Southeast Quarter of the Northwest Quarter of Section 18, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 59: (Certificate of Compliance 2001-068002)

Government Lot 2 of Section 18, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 60: (Certificate of Compliance 2001-068003)

The Northeast Quarter of the Northwest Quarter of Section 19, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 61: (Certificate of Compliance 2001-068004)

The East half of the Northeast Quarter, and the Northwest Quarter of the Northeast Quarter of Section 19; and Government Lots 2 and 3, the Southwest Quarter of the Northeast Quarter, the West half of the Northwest Quarter, and the Southeast Quarter of the Northwest Quarter of Fractional Section 20, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 62: (Certificate of Compliance 2001-068005)

The Southeast Quarter of Section 19; the Northwest Quarter of the Southeast Quarter, and the Southwest Quarter of Fractional Section 20; the Northwest Quarter of the Northwest Quarter of Fractional Section 29; and the Northeast Quarter of the Northeast Quarter of Fractional Section 30, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 63: (Certificate of Compliance 2001-068006)

Government Lots 3 and 4 and the Northeast Quarter of the Southwest Quarter of Section 19; and Government Lot 1 of Fractional Section 30, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 64: (Certificate of Compliance 2001-068007)

The Southeast Quarter of the Southwest Quarter of Section 19, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 65: (Certificate of Compliance 2001-068008)

Government Lot 2 of Fractional Section 30, Township 25 South, Range 7 East; and Government Lots 2 and 3 of Fractional Section 25, Township 25 South, Range 6 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 66: (Certificate of Compliance 2001-068009)

The East half of the Northwest Quarter, the Northwest Quarter of the Northeast Quarter, and Government Lot 3 of Fractional Section 30, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 67: (Certificate of Compliance 2001-068010)

The Southwest Quarter of the Northeast Quarter and the Northwest Quarter of the Southeast Quarter of Fractional Section 30, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 68: (Certificate of Compliance 2001-068011)

The Southwest Quarter of the Southwest Quarter of Fractional Section 29; Government Lots 4 and 5 of Fractional Section 30; Government Lot 1 being all of Fractional Section 31; and Government Lots 1 and 2 of Fractional Section 32, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 69: (Certificate of Compliance 2001-068012)

The Northeast Quarter of the Southeast Quarter, and the Southeast Quarter of the Northeast Quarter of Fractional Section 30, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 70: (Certificate of Compliance 2001-068013)

The Northeast Quarter of the Northwest Quarter, the South half of the Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Fractional Section 29, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 71: (Certificate of Compliance 2001-068014)

Government Lots 1, 2, 3 and 4 of Fractional Section 29, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 72: (Certificate of Compliance 2001-068015)

Government Lot 4 of Fractional Section 20, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 73: (Certificate of Compliance 2001-068016)

Government Lots 3 and 4 of Fractional Section 17; and Government Lot 1, the Northwest Quarter of the Northeast Quarter and the Northeast Quarter of the Northwest Quarter of Fractional Section 20, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 74: (Certificate of Compliance 2001-068017)

Government Lot 2, the South half of the Northwest Quarter and the Northeast Quarter of the Northwest Quarter of Fractional Section 17, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 75: (Certificate of Compliance 2001-068018)

The Southeast Quarter of the Southwest Quarter of Fractional Section 8, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 76: (Certificate of Compliance 2001-068019)

Government Lots 1, 2, 3 and 4, and the Northeast Quarter of the Southwest Quarter of Fractional Section 8; and Government Lot 1 of Fractional Section 17, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 77: (Certificate of Compliance 2001-068020)

The Southeast Quarter of the Northwest Quarter of Fractional Section 8, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 78: (Certificate of Compliance 2001-068021)

The Northwest Quarter of the Northwest Quarter, and the Northeast Quarter of the Northwest Quarter of Fractional Section 8, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 79: (Certificate of Compliance 2001-068022)

The Southwest Quarter of the Southwest Quarter of Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 80: (Certificate of Compliance 2001-068023)

Government Lot 10 of Fractional Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 81: (Certificate of Compliance 2001-068024)

The Southwest Quarter of the Northwest Quarter, the Northwest Quarter of the Southwest Quarter, the Southeast Quarter of the Southwest Quarter, and Government Lot 9 of Fractional Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 82: (Certificate of Compliance 2001-068025)

The Northeast Quarter of the Southeast Quarter of Section 6, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 83: (Certificate of Compliance 2001-068026)

Government Lots 3 and 4 of Fractional Section 5; and Government Lot 1, and the Southeast Quarter of the Northeast Quarter of Section 6, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 84: (Certificate of Compliance 2001-068027)

Government Lot 5 of Fractional Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 85: (Certificate of Compliance 2001-066537)

Government Lots 1, 2 and 6 of Fractional Section 5, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 86: (Certificate of Compliance 2001-066538)

Government Lot 4 and the South half of the Northwest Quarter of Fractional Section 4, and Government Lots 7 and 8 of Fractional Section 5, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 87: (Certificate of Compliance 2001-066539)

Government Lots 2 and 3 of Fractional Section 4, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 88: (Certificate of Compliance 2001-066540)

Government Lots 5 and 6, the Northeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Fractional Section 4, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 89: (Certificate of Compliance 2001-066541)

Government Lots 2, 3 and 4, the Southwest Quarter of the Northeast Quarter, the South half of the Northwest Quarter, the North half of the Southwest Quarter and the Northwest Quarter of the Southeast Quarter of Section 3; and Government Lot 1, the South half of the Northeast Quarter, the North half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 4, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 90: (Certificate of Compliance 2001-066542)

The South half of the Southwest Quarter of Section 3, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 91: (Certificate of Compliance 2001-066543)

The North half of the Northwest Quarter of Fractional Section 10, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 92: (Certificate of Compliance 2001-066544)

The Southwest Quarter of the Southeast Quarter of Section 3; and the Southeast Quarter of the Northwest Quarter, and the West half of the Northeast Quarter of Fractional Section 10, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 93: (Certificate of Compliance 2001-066545)

Government Lots 1, 2 and 3 of Fractional Section 9; Government Lots 1, 2, 3 and 4 and the Northwest Quarter of the Southeast Quarter of Fractional Section 10; Government Lot 1 being all of Fractional Section 15; and Government Lots 1, 2, 3 and 4 and the Northeast Quarter of the Northwest Quarter of Fractional Section 14, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 94: (Certificate of Compliance 2001-066546)

The Northeast Quarter of the Southwest Quarter, and the South half of the Southwest Quarter of Section 11, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luís Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the

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General Land Office by the Surveyor General.

PARCEL 95: (Certificate of Compliance 2001-066547)

The West half of the Northwest Quarter, and the Northwest Quarter of the Southwest Quarter of Section 11; and the Northeast Quarter of the Southeast Quarter of Fractional Section 10, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 96: (Certificate of Compliance 2001-066548)

Government Lot 1, the Southeast Quarter of the Northeast Quarter, and the East half of the Southeast Quarter of Section 3; and the East half of the Northeast Quarter of Fractional Section 10, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 97: (Certificate of Compliance 2001-066549)

The Southwest Quarter of the Northwest Quarter and the West half of the Southwest Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 98: (Certificate of Compliance 2001-066550)

Government Lot 4 of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 99: (Certificate of Compliance 2001-066551)

Government Lot 3, the Southeast Quarter of the Northwest Quarter, and East half of the Southwest Quarter of Section 2; and the West half of the Northeast, the North half of the Southeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 11, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 100: (Certificate of Compliance 2001-066552)

The Southeast Quarter of the Northwest Quarter of Section 11, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 101: (Certificate of Compliance 2001-066553)

The South half of the Southeast Quarter of Section 11, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Oblspo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 102: (Certificate of Compliance 2001-066554)

The Northwest Quarter of the Northeast Quarter of Fractional Section 14, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 103: (Certificate of Compliance 2001-066555)

The East half of the Northeast Quarter of Fractional Section 14, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 104: (Certificate of Compliance 2001-066556)

The Northwest Quarter of the Southwest Quarter of Fractional Section 13, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 105: (Certificate of Compliance 2001-066557)

Government Lot 1 of Fractional Section 13, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 106: (Certificate of Compliance 2001-066558)

The Northwest Quarter, the Northwest Quarter of the Northeast Quarter, the South half of the Northeast Quarter, the Southeast Quarter, the Northeast Quarter of the Southwest Quarter, and Government Lot 2 of Fractional Section 13; and Government Lot 1, and the North half of the Northeast Quarter of Fractional Section 24, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 107: (Certificate of Compliance 2001-066559)

The Southwest Quarter of Section 12, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 108: (Certificate of Compliance 2001-066560)

The South half of the Northwest Quarter and the Southwest Quarter of the Northeast Quarter of Section 12, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 109: (Certificate of Compliance 2001-066561)

The East half of the Northeast Quarter of Section 11; and the Northwest Quarter of the Northwest Quarter of Section 12, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 110: (Certificate of Compliance 2001-066562)

Government Lot 2, the Southwest Quarter of the Northeast Quarter, and the West half of the Southeast Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 111: (Certificate of Compliance 2001-066563)

The Southeast Quarter of the Southeast Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 112: (Certificate of Compliance 2001-066564)

The Northeast Quarter of the Southeast Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 113: (Certificate of Compliance 2001-066565)

The Southeast Quarter of the Northeast Quarter of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of sald Land, returned to the General Land Office by the Surveyor General.

PARCEL 114: (Certificate of Compliance 2001-066566)

Government Lot 1 of Section 2, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of sald Land, returned to the General Land Office by the Surveyor General.

PARCEL 115: (Certificate of Compliance 2001-066567)

Government Lot 4 of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 116: (Certificate of Compliance 2001-066568)

The Southwest Quarter of the Northwest Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 117: (Certificate of Compliance 2001-066569)

The Northwest Quarter of the Southwest Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of sald Land, returned to the General Land Office by the Surveyor General.

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PARCEL 118: (Certificate of Compliance 2001-066570)

The South half of the Southwest Quarter of Section 1; and the Northeast Quarter of the Northwest Quarter and the Northwest Quarter of the Northeast Quarter of Section 12, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 119: (Certificate of Compliance 2001-066571)

The Southwest Quarter of the Northeast, the West half of the Southeast Quarter and the Northeast Quarter of the Southwest Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 120: (Certificate of Compliance 2001-066572)

The Southeast Quarter of the Northwest Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 121: (Certificate of Compliance 2001-066573)

The Northeast Quarter of the Southeast Quarter of Section 1, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 122: (Certificate of Compliance 2001-066574)

The Southeast Quarter of the Southeast Quarter of Section 1; and the East half of the Northeast Quarter of Section 12, all in Township 25 South, Range 7 East; and Government Lot 18 of Section 6, in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 123: (Certificate of Compliance 2001-066575)

Government Lots 4, 5, 6, 10, 11, 12, 13, 14, 15 and 17, the Northeast Quarter of the Southwest Quarter and the North half of the Southeast Quarter of Section 6, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 124: (Certificate of Compliance 2001-066576)

Government Lots 2, 3, and 7 of Section 6, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 125: (Certificate of Compliance 2001-066577)

Government Lots 1 and 8 of Section 6, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey

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of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 126: (Certificate of Compliance 2001-066578)

Government Lots 7, 8, 9 and 10 and the West half of Lot 4, the West half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 5; and Government Lot 9 in Section 6; the Northeast Quarter of the Northeast Quarter of Section 8; and the North half of the Northwest Quarter of Section 9, all In Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 127: (Certificate of Compliance 2001-066579)

Government Lots 3, 4, 5 and 8 and the West half of Lot 7, the Southwest Quarter and the West half of the Southeast Quarter of Section 4; and Government Lots 1, 2, 3, 5, 6 and the East half of Lot 4, and the Northeast Quarter of the Southeast Quarter of Section 5, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 128: (Certificate of Compliance 2001-066580)

Government Lot 12 of Section 5, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 129: (Certificate of Compliance 2001-066581)

Government Lots 11, 13 and 14 of Section 5; Government Lot 16 of Section 6; and the West half of the Northeast Quarter, the East half of the Northwest Quarter, the Northwest Quarter of the Northwest Quarter, and the Northeast Quarter of the Southwest Quarter of Section 8, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 130: (Certificate of Compliance 2001-066582)

The Southwest Quarter of the Northeast Quarter, and the Northwest Quarter of the Northeast Quarter of Section 7; and the Southwest Quarter of the Southwest Quarter of the Southwest Quarter of Section 6, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 131: (Certificate of Compliance 2001-066583)

The North half of the Southeast Quarter, and the Southwest Quarter of the Southeast Quarter of Section 12, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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Incl Junge.doc MAAS: 231730 - 2/10/05 FATCO: 1687885 &1674628 PARCEL 132: (Certificate of Compliance 2001-066584)

The Southeast Quarter of the Southeast Quarter of Section 12; and the Northeast Quarter of the Northeast Quarter of Fractional Section 13, all in Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 133: (Certificate of Compliance 2001-066585)

Government Lots 9, 10, 11 and 12 of Section 7; and Government Lots 3, 4, 5, 6 and 7 of Section 18, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 134: (Certificate of Compliance 2001-066586)

Government Lot 1 of Section 18, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 135: (Certificate of Compliance 2001-066587)

Government Lot 2 of Fractional Section 24, Township 25 South, Range 7 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 136: (Certificate of Compliance 2001-066588)

The Southeast Quarter of the Northeast Quarter of Fractional Section 24, in Township 25 South, Range 7 East; and Government Lot 2 of Section 18; and Government Lots 1 and 2 of Fractional Section 19, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 137: (Certificate of Compliance 2001-066589)

The Southwest Quarter of the Southeast Quarter of Section 18, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 138: (Certificate of Compliance 2001-066590)

The East half of the Southwest Quarter of Section 18; and the Northeast Quarter of the Northwest Quarter and the Northwest Quarter of the Northeast Quarter of Section 19, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 139: (Certificate of Compliance 2001-066591)

The Southwest Quarter, and the Southwest Quarter of the Southeast Quarter of Section 17; and the North half of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter of Section 18, all

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In Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 140: (Certificate of Compliance 2001-066592)

The Northeast Quarter of the Northeast Quarter of Section 19; and the North half of the Northwest Quarter and the Southeast Quarter of the Northwest Quarter of Section 20, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 141: (Certificate of Compliance 2001-066593)

The Southeast Quarter of the Southeast Quarter of Section 17, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 142: (Certificate of Compliance 2001-066594)

The Southwest Quarter, the West half of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 143: (Certificate of Compliance 2001-066595)

The Northwest Quarter of the Northwest Quarter of Section 21, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 144: (Certificate of Compliance 2001-066596)

The North half of the Northeast Quarter, the East half of the Northwest Quarter of Section 21, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 145: (Certificate of Compliance 2001-066597)

The South half of the Northeast Quarter of Section 21, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, In the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 146: (Certificate of Compliance 2001-066598)

The West half of the Southeast Quarter of Section 21, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of Said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 147: (Certificate of Compliance 2001-066599)

The West half of the Northwest Quarter, and the Northwest Quarter of the Southwest Quarter of Section 22; and the Northeast of the Southeast Quarter of Section 21, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 148: (Certificate of Compliance 2001-066600)

The Southeast Quarter of the Southeast Quarter of Section 21; the South half of the Southwest Quarter, the Northeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Section 22; the North half of the Northwest Quarter of Section 27; and the Northeast Quarter of the Northeast Quarter of Section 28, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 149: (Certificate of Compliance 2001-066601)

The Southwest Quarter of the Northwest Quarter of Section 27; and the Southeast Quarter of the Northwest Quarter, the West half of the Northeast Quarter, and the Southeast Quarter of the Northeast Quarter of Section 28, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 150: (Certificate of Compliance 2001-066602)

The North half of the Southwest Quarter of Section 28; and the North half of the Southeast Quarter of Section 29; all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 151: (Certificate of Compliance 2001-066603)

The Southeast Quarter of the Northeast Quarter, the West half of the Northeast Quarter, and Government Lots 1 and 2 of Section 29; and the Northeast Quarter of the Northeast Quarter of Fractional Section 30, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 152: (Certificate of Compliance 2001-066604)

The Northeast Quarter of the Northeast Quarter of Section 29, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 153: (Certificate of Compliance 2001-066605)

The Northeast Quarter, the Southeast Quarter of the Northwest Quarter, the North half of the Southwest Quarter, and the West half of the Southeast Quarter of Section 27; and the North half of the Southeast Quarter of Section 28; and the North half of the Northwest Quarter of Section 34; and the Northwest Quarter of the Northwest Quarter of Section 35, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of

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the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 154: (Certificate of Compliance 2001-066606)

The South half of the Southeast Quarter of Section 28, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 155: (Certificate of Compliance 2001-066607)

The Southeast Quarter of the Southwest Quarter of Section 28, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 156: (Certificate of Compliance 2001-066608)

The Southwest Quarter of the Southwest Quarter of Section 28; the Southeast Quarter of the Southeast Quarter of Section 29; the Northwest Quarter of the Northwest Quarter of Section 33; and the Northeast Quarter of the Northeast Quarter of Section 32, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 157: (Certificate of Compliance 2001-066609)

The Northeast Quarter of the Northwest Quarter of Section 33, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 158: (Certificate of Compliance 2001-066610)

The Northwest Quarter of the Northeast Quarter of Section 33, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 159: (Certificate of Compliance 2001-066611)

The Northeast Quarter of the Northeast Quarter of Section 33; and the West half of the Northwest Quarter of Section 34, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 160: (Certificate of Compliance 2001-068028)

The Southeast Quarter of the Northeast Quarter of the Northeast Quarter of the Southeast Quarter of Fractional Section 32; and the Southwest Quarter of the Northeast Quarter, the West half of the Southeast Quarter, the South half of the Northwest Quarter, and the Southwest Quarter of Section 33, all in Township 25 South, Range 8 East, together with Government Lots 3, 4, 5, 7 and 8 and the Southwest Quarter of the Southeast Quarter of Fractional Section 4, Township 26 South, Range 8 East; and Government Lots 1 and 2 of Fractional Section 5, in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 161: (Certificate of Compliance 2001-066612)

Government Lots 1, 2 and 3 of Fractional Section 32, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 162: (Certificate of Compliance 2001-066613)

INTENTIONALLY OMITTED

PARCEL 163: (Certificate of Compliance 2001-066614)

The Southeast Quarter of the Northeast Quarter and the East half of the Southeast Quarter of Section 33; and the Southeast Quarter of the Northwest Quarter and the East half of the Southwest Quarter of Section 35, all in Township 25 South, together with Government Lots 3 and 4, and the North half of the Southwest Quarter and the Southwest Quarter of Section 2, Township 26 South; Government Lot 1, the North half of the Southeast Quarter, and the North half of the Southwest Quarter of Section 3, Township 26 South; and Government Lots 1 and 2 and the Northeast Quarter of the Southeast Quarter of Section 4, in Township 26 South, all in Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 164: (Certificate of Compliance 2001-068029)

The Southwest Quarter of the Southwest Quarter of Section 3; The Southeast Quarter of the Southeast Quarter of Fractional Section 4; and the East half of the Northeast Quarter of Fractional Section 9, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 165: (Certificate of Compliance 2001-068030)

Government Lots 1, 2, 3 and 4 and the Northwest Quarter of the Northeast Quarter of Fractional Section 9, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 166: (Certificate of Compliance 2001-068031)

The South half of the Northwest Quarter, and the North half of the Southwest Quarter of Section 10, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 167: (Certificate of Compliance 2001-066615)

The West half of the Northeast Quarter and the North half of the Northwest Quarter of Section 10, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 168: (Intentionally Omltted. Mining claim for which Title Insurance is not offered)

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Government Lot 5 of Section 3, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of sald Land, returned to the General Land Office by the Surveyor General.

PARCEL 170: (Certificate of Compliance 2001-066618)

PARCEL 169: (Certificate of Compliance 2001-066617)

Government Lots 6 and 7 in Section 3, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, In the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 171: (Certificate of Compliance 2001-066619)

The East half of the Northeast Quarter and the North half of the Southeast Quarter of Section 10, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 172: (Certificate of Compliance 2001-068032)

The South half of the Southwest Quarter, and the Southwest Quarter of the Southeast Quarter of Section 10, and the Northwest Quarter of the Northeast Quarter of Section 15, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 173: (Certificate of Compliance 2001-068033)

Government Lot 1, being all of Fractional Section 16; and Government Lots 1 and 2, the Northeast Quarter of the Northeast Quarter of the Northeast Quarter of Fractional Section 15, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 174: (Certificate of Compliance 2001-068034)

Government Lot 3 of Fractional Section 15, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 175: (Certificate of Compliance 2001-068035)

The Southeast Quarter of the Northeast Quarter of Section 15, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 176: (Certificate of Compliance 2001-068036)

The West half of the Southwest Quarter of Section 14; and Government Lot 4, and the Northeast Quarter of the Southeast Quarter of Fractional Section 15, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luls Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 177: (Certificate of Compliance 2001-068037)

Government Lot 1 being all of Fractional Section 22; and the Northwest Quarter of the Northwest Quarter of Fractional Section 23, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 178: (Certificate of Compliance 2001-068038)

The Southeast Quarter of the Southwest Quarter of Section 14; and Government Lot 1, and the East half of the Northwest Quarter of Fractional Section 23, all In Township 26 South, Range 8 East, Mount Diablo Base and Meridian, In the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 179: (Certificate of Compliance 2001-068039)

The South half of the Northeast Quarter, the Northwest Quarter of the Southeast Quarter, and Government Lot 2 of Fractional Section 23, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 180: (Certificate of Compliance 2001-068040)

Government Lot 3 of Fractional Section 23, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 181: (Certificate of Compliance 2001-068041)

The Southwest Quarter of the Southeast Quarter of Fractional Section 23, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 182: (Certificate of Compliance 2001-066620)

Lot 2 of Parcel Map COAL 85-186, in the County of San Luis Obispo, State of California, according to Map recorded November 8, 1985 in Book 38, Page 41 of Parcel Maps in the Office of the County Recorder of said County.

PARCEL 183: (Certificate of Compliance 2001-066621)

Lot 1 of Parcel Map COAL 85-186, in the County of San Luis Obispo, State of California, according to Map recorded November 8, 1985 in Book 38, Page 41 of Parcel Maps in the Office of the County Recorder of said County.

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PARCEL 184: (Certificate of Compliance 2001-066622)

The Northwest Quarter of the Southwest Quarter of Section 13, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 185: (Certificate of Compliance 2001-066623)

The West half of the Northwest Quarter, the Southeast Quarter of the Northwest Quarter, and the Northeast Quarter of the Southwest Quarter of Section 13, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 186: (Certificate of Compliance 2001-066624)

The Southeast Quarter of the Southeast Quarter of Section 10; the Southwest Quarter of the Southwest Quarter of Section 11; the Northeast Quarter of the Northeast Quarter of Section 12; and the North half of the North half, and the Southeast Quarter of the Northeast Quarter of Section 14, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 187: (Certificate of Compliance 2001-066625)

The South half of the Southeast Quarter of Section 11; and the South half of the Southwest Quarter of Section 12, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 188: (Certificate of Compliance 2001-066626)

The Southeast Quarter of the Southwest Quarter of Section 11 and the North half of the Southwest Quarter of Said Section 11, except that portion granted to Piedmont Land & Cattle Company March 3, 1917 in Book 115 of Deeds at Page 124, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California.

PARCEL 189: (Certificate of Compliance 2001-066627)

A fractional part of the North half of the Southwest Quarter of Section 11, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, within the County of San Luis Obispo, State of California, particularly described as follows:

Commencing one-quarter of a mile North of the Southeast corner of Section 10, thence

- 1) East to the Westerly bank of Almaden Creek about one-half way across the Northeast Quarter of the Southwest Quarter of Section 11; thence
- 2) In a Northwesterly direction following the Westerly bank of said Almaden Creek to the line between Sections 10 and 11; thence
- 3) South along said Section line to the place of beginning.

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The above described parcel was transcribed from a copy of the original deed from Gertrude McGovern to Piedmont Land & Cattle Co. filed in Book 115 of Deeds at Page 124, in the Recorder's Office of San Luis Obispo County.

PARCEL 190: (Certificate of Compliance 2001-066628)

The Southwest Quarter of the Northwest Quarter of Section 11, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 191: (Certificate of Compliance 2001-066629)

The East half of the Southeast Quarter of Section 1; and the North half of the Northeast Quarter and the Southeast Quarter of the Northeast Quarter of Section 12, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 192; (Certificate of Compliance 2001-066630)

Government Lots 1, 2, 3 and 4, the West half of the Southeast Quarter, and the Northeast Quarter of the Southwest Quarter of Section 1, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 193: (Certificate of Compliance 2001-066631)

The Southwest Quarter of the Southeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 35, In Township 25 South; Government Lots 1 and 2, the North half of the Southeast Quarter and the Southwest Quarter of the Southeast Quarter of Section 2, in Township 26 South; and the Northwest Quarter of the Southwest Quarter of Section 1, in Township 26 South, all in Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 194: (Certificate of Compliance 2001-066632)

The Southwest Quarter of the Southwest Quarter of Section 1, and the Southeast Quarter of the Southeast Quarter of Section 2, all in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 195: (Certificate of Compliance 2001-066633)

The Northwest Quarter of the Northeast Quarter of Section 11, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 196: (Certificate of Compliance 2001-066634)

The Southeast Quarter of the Northwest Quarter and the Southwest Quarter of Section 36, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by

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the Surveyor General.

PARCEL 197: (Certificate of Compliance 2001-066635)

The South half of the Northeast Quarter and the East half of the Southeast Quarter of Section 35, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 198: (Certificate of Compliance 2001-066636)

The North half of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter of Section 36, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 199: (Certificate of Compliance 2001-066637)

The North half of the Northeast Quarter of Section 35, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 200: (Certificate of Compliance 2001-066638)

The South half of the Southwest Quarter of Section 26; and the Northeast Quarter of the Northwest Quarter of Section 35, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 201: (Certificate of Compliance 2001-066639)

The Southwest Quarter of the Northwest Quarter of Section 35, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 202: (Certificate of Compliance 2001-066640)

The South half of the Southwest Quarter of Section 27; the East half of the Northwest Quarter, the South half of the Northeast Quarter, and the East half of the Southeast Quarter of Section 34; and the West half of the Southwest Quarter of Section 35, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 203: (Certificate of Compliance 2001-066641)

The West half of the Southeast Quarter and the East half of the Southwest Quarter of Section 34, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 204: (Certificate of Compliance 2001-066642)

Government Lots 2 and 3 of Section 3, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 205: (Certificate of Compliance 2001-066643)

Government Lot 4, of Section 3, Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 206: (Certificate of Compliance 2001-066644)

The West half of the Southwest Quarter of Section 34, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 207: (Certificate of Compliance 2001-066645)

The North half of the Southwest Quarter, the Southeast Quarter of the Northwest Quarter, and the Southwest Quarter of the Northeast Quarter of Section 26, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 208: (Certificate of Compliance 2001-066646)

The Southeast Quarter of Section 26; Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 209: (Certificate of Compliance 2001-066647)

The Southwest Quarter of the Southwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 210: (Certificate of Compliance 2001-066648)

The West half of the Southeast Quarter and the Southeast Quarter of the Southwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of sald Land, returned to the General Land Office by the Surveyor General.

PARCEL 211: (Certificate of Compliance 2001-066649)

The Northeast Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 212: (Certificate of Compliance 2001-066650)

The Southeast Quarter of the Southeast Quarter of Section 24, Township 25 South, Range 8 East, Mount Diable Base and Meridian, in the County of San Luis Obispo. State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 213: (Certificate of Compliance 2001-066651)

The Southwest Quarter of the Southeast Quarter of Section 24, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 214: (Certificate of Compliance 2001-066652)

The North half of the Northwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 215: (Certificate of Compliance 2003-080700)

The South half of the Northwest Quarter and the Northeast Quarter of the Southwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 216: (Certificate of Compliance 2001-066654)

The Northwest Quarter of the Southwest Quarter of Section 25, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 217: (Certificate of Compliance 2001-066655)

The North half of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 26, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 218: (Certificate of Compliance 2001-066656)

The South half of the Southeast Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, In the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 219: (Certificate of Compliance 2001-066657)

The Northwest Quarter of the Northeast Quarter, the Northeast Quarter of the Northwest Quarter, the South haif of the Northeast Quarter, and the North haif of the Southeast Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 220: (Certificate of Compliance 2001-066658)

The Southeast Quarter of the Southwest Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 221: (Certificate of Compliance 2001-066659)

The Northeast Quarter of the Southwest Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 222: (Certificate of Compliance 2001-066660)

The Northwest Quarter of the Southwest Quarter of Section 23, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 223: (Certificate of Compliance 2001-066661)

The East half of the Southeast Quarter of Section 22; the Southwest Quarter of the Southwest Quarter of Section 23; and the Northwest Quarter of the Northwest Quarter of section 26, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 224: (Certificate of Compliance 2001-066662)

The Southeast Quarter of the Northeast Quarter of Section 22, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 225: (Certificate of Compliance 2001-066663)

The East half of the Northwest Quarter, the Southwest Quarter of the Northeast Quarter, and the Northwest Quarter of the Southeast Quarter of Section 22, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 226: (Certificate of Compliance 2001-066664)

The Southeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Section 15; and the Northwest Quarter of the Northeast Quarter, and the Northeast Quarter of the Northeast Quarter of Section 22, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 227: (Certificate of Compliance 2001-066665)

The Southwest Quarter of the Southwest Quarter of Section 15, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 228: (Certificate of Compliance 2001-066666)

The Southwest Quarter of the Southwest Quarter of Section 10; and the Northwest Quarter, the Northeast Quarter of the Southwest Quarter, the North half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 15, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 229: (Certificate of Compliance 2001-066667)

The South half of the Northeast Quarter, and the Southeast Quarter of Section 10; and Northeast Quarter of Section 15, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 230: (Certificate of Compliance 2001-066668)

The East half of the Northeast Quarter, the Northeast Quarter of the Southeast Quarter and the Southwest Quarter of the Northeast Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 231: (Certificate of Compliance 2001-066669)

The Northwest Quarter of the Northeast Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 232: (Certificate of Compliance 2001-066670)

The Southwest Quarter of the Northeast Quarter, the West half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 9, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 233: (Certificate of Compliance 2001-066671)

The Southeast Quarter of the Northeast Quarter, and the Northeast Quarter of the Southeast Quarter of Section 9, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 234: (Certificate of Compliance 2001-066672)

The South half of the Northwest Quarter, the East half of the Southwest Quarter of Section 9, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

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PARCEL 235: (Certificate of Compliance 2001-066673)

The North half of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 236: (Certificate of Compliance 2001-066674)

The East half of the Northeast Quarter, the Northwest Quarter of the Northeast Quarter of Section 17; and the Southwest Quarter of the Southeast Quarter of Section 8, all in Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of sald Land, returned to the General Land Office by the Surveyor General.

PARCEL 237: (Certificate of Compliance 2003-080701)

The East half of the Southeast Quarter, the Northwest Quarter of the Southeast, and the Southeast Quarter of the Northeast Quarter of Section 8; and the West half of the Southwest Quarter of Section 9, all In Township 25 South, Range 8 East, Mount Diablo Base and Meridian, In the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 238: (Certificate of Compliance 2001-066676)

The South half of the Southwest Quarter and the Northwest Quarter of the Southwest Quarter of Section 8, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 239: (Certificate of Compliance 2001-066677)

Government Lots 1, 2, 4, 5, 6 and 7 of Section 7, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 240: (Certificate of Compliance 2001-066678)

The Southwest Quarter of the Northwest Quarter of Section 26, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 241: (Certificate of Compliance 2001-066679)

The Southeast Quarter of the Northwest Quarter of Section 16, Township 25 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the Official Plat of the Survey of said Land, returned to the General Land Office by the Surveyor General.

PARCEL 242:

A portion of that real property in Section 15, Township 25 South, Range 6 East, Mount Diablo Base and Meridian in the County of San Luis Obispo, State of California, more particularly described as follows: That portion of Lots 5 and 6 lying Southerly of the road as said road existed March 2, 1942.

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PARCEL P.B.-1 (Certificate of Compliance 2001-098846)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at a post marked "P.B. No. 6" being corner No. 6 per the official Survey of the Rancho Piedra Blanca made by Luis Castro United States Deputy Surveyor, said post being corner number one, and running thence South 51 1/4° East with the Northerly boundary line of said Rancho 111.18 chains (7337.88 feet) to a post in mound of stone on top of ridge marked :P.B. No. 7" and "P.R. No. 2"; thence South 52° East 133.41 chains (8805.06 feet) to post in mound of stone on top of ridge marked "P.B. No. 8" and "P.R. No. 3"; thence South 59° East 76.80 chains (5068.80 feet) to a post on the Northerly boundary of said Rancho, and Station designated as "P.R. No. 4"; thence leaving said boundary line and running South 47 1/2° West (a distance of 40.50 chains (or 2673 feet per the map filed in Book B of Maps at Page 56 records of said county) to a point in the center of what is known as Burnette Creek, and continuing down said creek Southwesterly to a Sycamore tree three feet in diameter at the junction of said Burnette Creek with a creek coming from the Northwest, and about six chains (396 feet) Southwest from a house erected by Juan Castro marked said Sycamore "P.R. No. 5"; thence North 73 1/2° West striking the Southern margin of a small valley 9.00 chains (594.00 feet) to a Sycamore tree fourteen inches in diameter in a ravine or Arroyo coming from the South marked "P.R. NO. 6"; thence following the center of said Arroyo or ravine in a Southerly direction (South 37 1/4° West 49.30 chains (or 3253.8 feet and South 62 1/4° West 48.00 chains or 3168 feet per said map filed in Book B of Maps at Page 56) to the source of the same and to a post marked "P.R. No. 7" on the summit of a chamisal peak and high ridge; thence North 60° West per the deed recorded in Book O of Deeds at Page 343, records of said county (the same being shown as North 46° West per said map recorded in Book B of Maps at Page 56) 146.50 chains (9669,00 feet) to the Westerly boundary line of the Piedra Blanca Rancho, or summit of a high ridge, set post marked "P.R. No, 8" from which a white oak 14 inches in diameter North 80° West 26 links (17.16 feet) distant; thence following the West boundary of said Rancho North 7 1/4° East 45.50 chains (3003.00 feet) to post "P.B. No. 5" marked post "P.R. No. 9"; thence North 7° West 240.40 chains (15,866.40 feet) per said deed recorded in Book O of Deeds at Page 343 (North 7° West 204.40 chains or 13,490.4 feet per said map filed in Book B of Maps at Page 56) to the place of beginning. The same being a part of the Rancho Piedra Blanca and containing 4432.11 acres and being the same tract conveyed by Juan Castro to C.H. Phillips by deed dated January 5th 1875 and recorded in Book G of Deeds, San Luis Obispo County Records at Page 32.

PARCEL P.B.-2 (Certificate of Compliance 2001-098847)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Beginning at a point where the Arroyo de la Laguna (currently known as Oak Knoll Creek) empties itself into the Pacific Ocean, thence following up the center of said Arroyo to a Laurel tree that stands on the summit of the Range of Mountains to the East called the "Lomas Muertas" (currently known as "Lone Tree Hill" as shown on USGS 7.5 minute quadrangle map of San Simeon, Calif. Dated 1958); thence in a straight line Easterly to the Eastern boundary of the Rancho de la Piedra Blanca; thence Northerly and following said boundary line to the Arroyo San Carpoforo (which forms the Northern boundary of said

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Rancho) thence down the center of said Arroyo to its mouth; thence Southerly along the Coast to the place of beginning.

EXCEPTING therefrom the United States Lighthouse Reserve at Piedras Blancas, by Congressional Executive Order of Withdrawal from the Rancho Piedra Blanca, dated June 8, 1866 (Piedras Blancs Lighthouse).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by W.R. Evans, et ux., in favor of Linus Carl Pauling, et ux., recorded November 27, 1956 in Book 871, Page 33 of Official Records, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by William D. Evans, et al., in favor of J.N. Sani, et ux., recorded December 5, 1989 in Book 3425, Page 865 of Official Records, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Evelyn C. Evans, in favor of Linus Carl Pauling, et ux., recorded July 31, 1957 in Book 901, Page 457 of Official Records, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Donald E. Evans, et al., in favor of Charles Valois, et al., recorded August 13, 1956 in Book 858, Page 205 of Official Records, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Thomas C. Evans, et ux., in favor of Thomas C. Evans, et ux., recorded December 10, 1953 in Book 738, Page 34 of Official Records, records of said County. Said land is also shown on the Certificate of Compliance recorded January 9, 1995 as Instrument No. 1995-000985 of Official Records.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by John C. Evans, et ux., in favor of John C. Evans, et ux., recorded October 27, 1949 in Book 539, Page 325 of Official Records, records of said County. Said land is also shown on Certificate of Compliance recorded January 9, 1995 as Instrument No. 1995-000986 of Official Records.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by William D. Evans, et al., in favor of J.N. Sani, et ux., recorded December 5, 1989 in Book 3425, Page 859 of Official Records, records of said County. Said land is also shown on Certificate of Compliance recorded January 9, 1995 as Instrument No. 1995-000987 of Official Records.

EXCEPTING therefrom, any fee grants of land to the State of California for Highway purposes.

EXCEPTING any portion of the land below the line of ordinary high water where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom that portion of said Rancho described in the deed from the J.P. Anderson and the Bank of San Luis Obispo to George Hearst, recorded July 11, 1882 in Book O, Page 343 of Deeds, records of said County.

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EXCEPTING therefrom that portion of said Rancho described in the deed from E.S. Bowles, et al., to Phoebe Hearst, recorded January 16, 1906 in Book 69, Page 137 of Deeds, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from Leopold Frankl to George Hearst, recorded November 22, 1888 in Book 7, Page 244 of Deeds, records of said County.

EXCEPTING therefrom that portion of Rancho described in the deed from Gid J. Pillow to the Hearst Corporation, recorded June 10, 1966 in Book 1399 at Page 328 of Official Records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from Lauderdale Auto Rentals to the Hearst Corporation, recorded June 10, 1966 in Book 1399 at Page 315 of Official Records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from C.O. King, Referee to Phoebe A. Hearst recorded October 23, 1905 in Book 68 of Deeds at Page 58, records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from C.O. King, Referee to B.F. Muma recorded October 24, 1905 in Book 68 of Deeds at Page 66, records of said County.

EXCEPTING therefrom that portion of the Piedra Blanca Rancho in the County of San Luis Obispo, State of California, containing 263 acres being more particularly described as follows:

Commencing at the mouth of the Arroyo Las Canras at the Southeasterly corner of the tract of land surveyed for Juan Castro; thence following Northeasterly along the Southeasterly boundary line of said tract to the Easterly corner thereof; thence Northwesterly along the Northeasterly boundary of said tract to a point from whence a straight line from the ocean running parallel with the straight Southeasterly boundary line of said tract would enclose the number of acres above described and mentioned, thence along said set off line Southwesterly to the ocean; thence along the beach to the place of beginning.

EXCEPTING therefrom that portion of land lying Southwesterly of that certain parcel granted from C.O. King, Referee to Phoebe A. Hearst recorded October 23, 1905 in Book 68 of Deeds at Page 58, records of sald County, (said line also being the Southwest line of Lots 3, 5 and 8 of the "Partition of the Gillis Tract" made by decree to the Superior Court of San Luis Obispo County on October 7, 1904 and shown on map filed January 24, 1905 in Book 1 at Page 84 of Records of Surveys, records of said County) and lying Northeasterly of the United State Lighthouse Reserve at Piedras Blancas, by Congressional Executive Order of Withdrawal from the Rancho Piedra Blanca, dated June 8, 1866 (Piedras Blancas Lighthouse).

PARCEL P.B.-3 (Certificate of Compliance 2001-098848)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at the mouth of the large Arroyo Northwest of Pico's house commonly known as Pico's Creek (currently known as Little Pico Creek), thence up the main branch of said creek through all its meanderings to a point above Pico's "Matanza" (slaughterhouse) where a small ravine and where a second one from the East puts into said creek about one mile and a half more or less from the mouth; thence up the center of the divide between said creek and ravine to a high rocky point in the Chamisal Mountain; thence in an Easterly direction to a point on the Northeast boundary line of the Piedra Blanca Rancho striking said boundary line at the South point of the pine ridge immediately back (and Northeast)

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of the Marmolejo Valley; thence along said boundary line in a Northerly direction to a point where the Southeast boundary line of Pacheco's Rancho (formerly owned by Captain John Wilson) Intersects same; thence along said last mentioned boundary line to the beach and thence along the beach to the place of beginning.

EXCEPT therefrom that portion of said Rancho granted from Jose de Jesus Pico to John Wilson in 1854 and recorded in Book a of Deeds at Page 60 described as follows: Beginning at a point where the Arroyo de la Laguna (currently known as "Oak Knoll Creek") empties itself into the Pacific Ocean, thence following up the center of said Arroyo to a Laurel tree that stands on the summit of the Range of Mountains to the East called the "Lomas Muertas" (currently known as "Lone Tree Hill" as shown on USGS 7.5 minute quadrangle map of San Simeon, Calif. dated 1958); thence in a straight line Easterly to the Eastern boundary of the Rancho de la Piedra Blanca; thence Northerly and following said boundary line to the arroyo San Carpoforo (which forms the Northern boundary of said Rancho) thence down the center of said Arroyo to its mouth; thence Southerly along the Coast to the place of beginning and containing about four leagues of land be the same, more or less.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Phoebe A. Hearst, in favor of L. Frankl, recorded November 10, 1892 in Book 14, Page 103 of Deeds, records of said County (Lots 1-4 of Block A of the Town of San Simeon).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by Hearst Magazines, Inc., in favor of The County of San Luis Obispo, recorded January 12, 1952 in Book 641, Page 452, et seg, of Official Records, records of said County (San Simeon Park).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by the Hearst Corporation, in favor of The County of San Luis Obispo, recorded May 27, 1955 in Book 805, Page 285 of Official Records, records of said County (San Simeon Park).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by The Hearst Corporation, in favor of The State of California, recorded March 14, 1958 in Book 931, Page 487 of Official Records, records of said County (Visitor's Center).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by La Cuesta Encantada Corporation, in favor of The State of California, recorded March 14, 1958 in Book 931, Page 510 of Official Records, records of said County (Hearst Castle).

EXCEPTING therefrom that portion of said Rancho described in the deed executed by The Hearst Corporation, in favor of The State of California, recorded March 18, 1966 in Book 1389, Page 719 of Official Records, records of said County, as to Highway and coastal land, approximately from Pico Creek to Townsite of San Simeon.

EXCEPTING therefrom that portion of said Rancho described in the Director's Deed (Parcel 645-DD) from The State of California to The Hearst Corporation, recorded August 8, 1966 in Book 1405, Page 715 of Official Records, records of said County, a 30' strip of land extending approximately from Hearst Castle Road Northwesterly to Hearst Ranch Road.

EXCEPTING therefrom that portion of said Rancho described in the deed executed by The Hearst Corporation, in favor of The State of California, recorded March 29, 1986 in Book 2691, Page 124 of Official Records, records of said County (Visitor's Center).

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

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EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any fee grants of land to The State of California for Highway purposes, and

EXCEPTING therefrom that certain parcel (commonly known as the Port Tract) described in deed from P.A. Forrester, et al., to George Hearst recorded May 22, 1871 in Book C, at Page 313 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in deed from Juan Castro to George Hearst dated December 10, 1878 in Book L, at Page 382 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in deed from Virginia Pico to George Hearst dated September 16, 1878 in Book L, at Page 279 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in deed from American Exploration and Development Co. to L.V. Thorndyke recorded September 28, 1904 in Book 64, at Page 35 of Deeds in the Recorder's Office of said County (Sebastian's), and

EXCEPTING therefrom that certain parcel described in deed from J. Scettrini, et al., to P.A. Hearst recorded May 14, 1907 in Book 74, at Page 551 of Deeds in the Recorder's Office of San Luis Obispo County.

PARCEL P.B.-4 (Certificate of Compliance 2001-098849)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

All that certain portion of the Rancho Piedra Blanca granted January 18th 1840 by Juan B. Alvarado, Mexican Governor of California to Jose de Jesus Pico situate lying and being in the County of San Luls Oblspo, State of California commencing at the mouth of the large Arroyo Northwest of the house of Jose de Jesus Pico on said Rancho, commonly known as Pico Creek (currently known as Little Pico Creek); thence running up the main branch of said creek through all its meanderings to a point above Pico's Old Matanza where a small ravine, and the second from the East puts into said creek about one mile and a half more or less from the mouth of Pico Creek (currently known as Little Pico Creek); thence up the center of the divide between said creek and ravine to a high rocky point on the Chamisal mountains; thence in an Easterly direction to a point on the Northeast boundary line of the Piedra Blanca Rancho striking said boundary line at the South point of the Pine Ridge immediately back (and Northeast) of the Marmalijo Valley; thence Easterly along said boundary line to the Easterly corner of said Rancho and thence along the Southeasterly boundary line of said Rancho and down the center of the Arroyo del Pinalito or Padre Juan Moreno (currently known as Pico Creek) to the Pacific Ocean; and thence along the beach of said ocean to the place of beginning.

EXCEPTING therefrom and thereout that tract of land being a part of the "Pinery" being secondly described in a conveyance made by Jose de Jesus Pico as guardian of Ysabel, Virginia and Jose Pico to George Hearst dated April 25th 1865 and recorded in Book A of Deeds San Luis Obispo County Records

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at Page 726 et seq., described as follows:

A portion of said Rancho Piedra Blanca, commencing at a cluster of oak trees on the Arroyo del Pinalito (currently known as Pico Creek) below where the main road (currently known as Highway 1) crosses the same and on a line with the general direction of said road from said creek to Pico's House; thence along said road to a point from which a line drawn to a small mound on the Northeast of the Pinery would equally divide the Pinery; thence in a direct line to said mound, thence at right angles to the Pinalito Creek (currently known as Pico Creek) to the center of said creek, and thence down said creek to the place of beginning.

ALSO EXCEPTING therefrom that property described in the deed from The Hearst Corporation, to The State of California, recorded March 18, 1966 in Book 1389 of Official Records at Page 719, records of San Luls Oblspo County.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

PARCEL P.B.-5 (Certificate of Compliance 2001-098850)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

That tract of land being a part of the "Pinery" being secondly described in a conveyance made by Jose de Jesus Pico as guardian of Ysabel, Virginia and Jose Pico to George Hearst dated April 25th 1865 and recorded in Book A of Deeds San Luis Obispo County records at Page 726 et seq., more particularly described as follows:

A portion of said Rancho Piedra Blanca, commencing at a cluster of oak trees on the Arroyo del Pinalito (currently known as Pico Creek) below where the main road (currently known as Highway 1) crosses the same and on a line with the general direction of said road from said creek to Pico's House; thence along said road to a point from which a line drawn to a small mound on the Northeast of the Pinery would equally divide the Pinery; thence in a direct line to said mound, thence at right angles to the Pinalito Creek (currently known as Pico Creek) to the center of said creek, and thence down said creek to the place of beginning.

EXCEPTING therefrom that portion of said Rancho described in the deed from Walter H. Southall, et ux., to The Hearst Corporation, recorded August 6, 1954 in Book 767, Page 274 of Official Records of said County.

EXCEPTING therefrom that portion of said Rancho described in the deed from The Hearst Corporation to Walter H. Southall, et ux., recorded August 6, 1954 in Book 767, Page 275 of Official Records of said County.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

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EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

PARCEL P.B.-7 (Certificate of Compliance 2002-066311)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at the mouth of the Arroyo del Puerto de San Simeon; thence up the center of said Arroyo five hundred varas* (1425 feet); thence to a point five hundred varas* (1425 feet) from the mouth of the Arroyo de la Laguna; thence down the center of said Arroyo to the ocean; and thence following the beach to the place of beginning and containing 601.50 acres and being a part of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855.

EXCEPTING therefrom that certain parcel described in deed from Juan Castro to George Hearst dated December 10, 1878 in Book L, at Page 382 of Deeds of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel (Sebastian's_ described in deed from American Exploration and Development Co. to L.V. Thorndyke recorded September 28, 1904 in Book 64, at Page 35 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in deed from American Exploration and Development to James Scettrini, et al., recorded September 28, 1904 in Book 64, at Page 36 of Deeds in the Recorder's Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel (San Simeon State Park) described in deed from the Hearst Magazines, Inc., to The State of California recorded January 12, 1952 in Book 641, Page 452 of Official Records of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in the deed from The Hearst Corporation to The State of California recorded March 18, 1966 in Book 1389, Page 719 of Official Records in the Recorders Office of San Luis Obispo County, and

EXCEPTING therefrom that certain parcel described in the Director's Deed from The State of California to The Hearst Corporation, recorded August 8, 1966 in Book 1405, Page 715 of Official Records in the Recorders Office of San Luis Obispo County.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

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Incl Junge.doc MAAS: 231730 - 2/10/05 FATCO: 1687885 &1674628 EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

EXCEPTING therefrom that real property commonly known as the "Whaling Fishing Tract" on the Point of San Simeon described in deed from Hiplote Marshall to Phoebe Hearst recorded October 2, 1894 in Book 24 of Deeds at Page 530, and also being a portion of the Rancho Piedra Blanca Rancho described in Book B of Patents at Page 30, records of San Luis Obispo County, State of California, described as follows:

Commencing at the Southwest corner of Sebastian's Store, also being the Southwest corner of Lot 1 of Block A of the Town of San Simeon (an unrecorded subdivision map), shown on map filed in Book 4 of Records of Surveys at Page 66, records of said County, said point having State Plane Coordinates (NAD83) as follows:

Northing: 2,435,599.7568 Easting: 5,613,398.0458

And being North 13°18'16" East 30.00 feet from a Spike and Tag "LS 5702" set in the centerline of County Road No. 3 thence South 31°38'53" West 2280.29 feet to a 1" iron pipe with Tag "LS 5702" and True Point of Beginning; thence

- 1) North 83°03'08" East, 284.64 feet more or less to the mean high tide line of the Pacific Ocean; thence along the meanderings of the mean high tide line the following 28 courses:
- 2) South 16°25'45" East, 135.62 feet; thence
- 3) South 08°11'33" West, 107.98 feet; thence
- 4) South 34°15'20" East, 125.39 feet; thence
- 5) South 30°29'44" East. 110.57 feet; thence
- 6) South 09°29'04" East, 119.00 feet; thence
- 7) South 04°00'13" East, 110.48 feet; thence
- 8) South 38°37'43" East, 114.57 feet; thence
- 9) South 34°08'39" East, 56.01 feet; thence
- 10) South 26°03'20" East, 75.71 feet; thence
- 11) South 38°20'26" East, 111.35 feet; thence
- 12) South 36°21'39" East, 64.08 feet; thence
- 13) South 33°26'19" East, 90.58 feet; thence
- 14) South 29°53'33" East, 60.18 feet; thence
- 15) South 72°52'19" West, 62.95 feet; thence
- 16) South 75°24'15" East, 47.93 feet; thence
- 17) South 23°31'34" West, 94.35 feet; thence
- 18) South 84°17'07" West, 44.72 feet; thence
- 19) North 80°41'10" West, 220.47 feet; thence
- 20) South 84°38'59" West, 74.16 feet; thence
- 21) South 77°10'07" West, 126.09 feet; thence
- 22) South 07°27'34" West, 26.88 feet; thence
- 23) South 30°02'30" East, 65.14 feet; thence
- 24) South 08°39'41" West, 33.31 feet; thence
- 25) South 00°24'20" East, 45.10 feet; thence
- 26) South 15°10'03" West, 26.16 feet; thence
- 27) North 61°37'37" West, 43.73 feet; thence
- 28) North 42°51'26" West, 56.63 feet; thence
- 29) North 36°37'56" West, 88.60 feet more or less to a point which lies South 07°10'08" East from the True Point of Beginning; thence
- 30) North 07°10'08" West, 1283.38 feet to the True Point of Beginning.

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Bearings and distances are on the Stat Plane Coordinate system NAD83 Zone 5. Rotate bearings 1°49'23" counter clockwise for true bearings. Multiply distances shown by 1.00004536 to obtain ground distances.

PARCEL P.B.-8 (Certificate of Compliance 2001-098853)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at the mouth of the Arroyo la Laguna and running thence up the center of said Arroyo to a point in the center of the said Arroyo known as the most Northwest corner of the Port Tract and where a line drawn from the point of beginning North 5 3/4° East would be 500 varas* or 21.06 chains (1389.96 feet); thence following the Northerly boundary of the said Port Tract South 37 1/2° East 44.44 chains (2933.04 feet) to a post; thence South 26 1/2° West 29 chains (1914 feet) to the line of high water mark; thence Northwest along said high water mark to the place of beginning and being the same premises conveyed by George Hearst in May, 1871 and recorded in the Office of the County Recorder in Book C of Deeds at Page 310.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

PARCEL P.B.-9 (Certificate of Compliance 2001-098854)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California containing 263 acres being more particularly described as follows:

Commencing at the mouth of the Arroyo Las Canras at the Southeasterly corner of the tract of land surveyed for Juan Castro; thence following Northeasterly along the Southeasterly boundary line of said tract to the Easterly corner thereof; thence Northwesterly along the Northeasterly boundary of said tract to a point from whence a straight line from the ocean running parallel with the straight Southeasterly boundary line of said tract would enclose the number of acres above described and mentioned; thence along said set off line Southwesterly to the ocean; thence along the beach to the place of beginning.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

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PARCEL P.B.-11 (Certificate of Compliance 2001-098856)

That portion of the Rancho de la Piedra Blanca, in the County of San Luis Obispo, State of California, according to the map thereof on file in the Office of the County Recorder of said County, described as follows:

Beginning at the Southwest corner of the parcel of land recorded in Licensed Surveyor's Map filed in Book 7, Page 20 Records of San Luis Obispo County, California; thence following the West boundary line of said parcel and the East right of way line of State Highway No. 56-A, (currently known as Highway 1), North 16°21' West, 1089.96 feet to a point; thence leaving said highway and said West boundary line of said parcel, North 73°39' East, 1089.00 feet to a point; thence South 16°21' East 1022.83 feet to a point on the South boundary line of said parcel; thence following the South boundary line of said parcel, South 79°30' West, 690.86 feet to a point on the South boundary line of said parcel of land; thence continuing along the South boundary line of said parcel of land, South 54°45' West, 424.63 feet to the point of beginning.

EXCEPTING therefrom, any fee grants of land to the State of California for Highway purposes.

PARCEL P.B.-12 (Certificate of Compliance 2001-098857)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Beginning at the point of intersection of the Northerly line of the Gillis Tract, as per Licensed Surveyors Map of the "Partition of the Gillis Tract, Rancho Piedra Blanca, surveyed by A.F. Parsons, filed February 24, 1905 in Book 1, Page 84 of Record of Surveys" in the office of the County Recorder of said County, and the Easterly line of the California State Highway, Division V, Route 56 (currently Highway 1), Section A, as described in deed recorded June 23, 1921 in Book 146, Page 279, of Deeds; thence Easterly along the irregular Northerly line of said Gillis Tract as shown on the above mentioned Licensed Surveys Map and which is designated thereon as the surveyed center line of the Arroyo del Corral, the following courses and distances: North 54°45' East, 424.63 feet, North 79°30' East, 811.80 feet, South 83°45' East, 237.60 feet, North 48°15' East, 224.40 feet, North 88°00' East, 382.80 feet, North 62°00' East, 356.40 feet, North 74°00' East, 613.80 feet, North 69°15' East, 488.40 feet, South 87°30' East, 264.00 feet, North 29°00 East, 528.00 feet, South 83°30' East, 435.60 feet, North 56°00' East, 349.80 feet, South 71°00' East, 782,98 feet to the common corner of said Gillis Tract and the land conveyed to Thomas Evans by deed dated October 25, 1871, recorded May 6, 1873 in Book E, Page 107 of Deeds; thence along the existing fence and property line of said land, North 47°00' West, 1258.37 feet, North 47°20' West, 1646.02 feet and North 44°16' West, 1195.52 feet to the Northerly corner of said land; thence along the existing fence and property line of said land South 70°22' West, 454.38 feet, South 70°07' West, 1491.85 feet and South 71°30' West, 410.05 feet to the most Northerly corner of the parcel of land conveyed to W.R. Evans by deed recorded January 25, 1919 in Book 125, Page 443 of Deeds; thence along the irregular Easterly lines of the parcels conveyed to W.R. Evans, T.C. Evans, John C. Evans and W.J. Evans, respectively, by the above mentioned deed, the following courses and distances: South 11°45' East, 165.00 feet, South 89°47' East, 440.35 feet, South 22°42' West, 186.06 feet, and South 43°46' East, 158.63 feet to the most Easterly corner of the parcel conveyed to W.J. Evans by the above mentioned deed; thence South 70°45' West along the Southerly line of the parcel so conveyed to W.J. Evans, 1371.91 feet to a point in said Easterly line of said Highway the following courses and distances: South 36°27' East, 36.41 feet to the beginning of a curve concave to the West having a radius of 830 feet and a central angle of 20°06' and a length of 291.17 feet Southerly along said curve, 291.17 feet,

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South 16°21' East, 1921.76 feet to the point of beginning.

EXCEPTING therefrom that parcel of land described in the deed from Lauderdale Auto Rentals, Inc. to The Hearst Corporation recorded in Book 1399, Page 315 of Official Records of said County.

EXCEPTING therefrom, any fee grants of land to the State of California for Highway purposes.

PARCEL P.B.-13 (Certificate of Compliance 2001-098858)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at a point of the Arroyo del Corral where the Northeast line of the land of Peter Gillis intersects the same; thence running along the Arroyo del Corral Northeasterly to the Arroyo de la Cruz according to the courses marked in the survey of Luis Castro; thence down said Arroyo de la Cruz to a point on the same from which a line running parallel with the line of said Gillis Tract would include 365 acres; thence along said parallel line to the Northeast line of said Gillis Tract or a continuation thereof; thence along said continued line and said Northeast line of the Gillis Tract to the place of beginning.

PARCEL P.B.-14 (Certificate of Compliance 2001-098859)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

Commencing at a post at the Northwesterly corner of the 320 cares of land belonging to Thomas Evans and in the center of the Arroyo del Oso where the same empties into the Pacific Ocean; thence following the bluff bank of the ocean by courses and distances as follows: North 23 3/4° West 1.45 chains (97.70 feet) to a stake on the North side of said Arroyo; thence North 45° West 4.85 chains (320.10 feet); thence North 46 3/4° West 1 chain (66.00 feet); thence North 15 3/4° West 7.35 chains (485.10 feet); thence South 84 1/2° West 3.25 chains (214.50 feet); thence North 53° West 9 chains (594.00 feet) to a stake in the bluff bank of said ocean; thence leaving the ocean North 70° East to a point from where a line running South 29 3/4° East to the Northwesterly line of said Evans Tract includes 160 acres; thence South 29 3/4° East to the Northwest line of said Evans Tract; thence South 70° West following the said Northwest line of the said Evans Tract to the place of beginning containing 160 acres.

EXCEPTING any portion of the land below the line of ordinary high water where it is located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom any portion of the land within the natural bed of the river below the ordinary high water mark where it was located prior to any artificial or avulsive changes in the location of the shoreline.

EXCEPTING therefrom, any fee grants of land to The State of California for Highway purposes.

PARCEL P.B.-15 (Certificate of Compliance 2001-098860)

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A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

That portion of said Rancho described in the Director's Deed (Cal Trans Parcel #645-DD as shown on Right of Way Map 05-SLO-001 Post Mile 57.8 to 58.4, updated April 27, 1966) from the State of California to The Hearst Corporation, recorded August 8, 1966, in Book 1405, Page 715 of Official Records of said County, lying Northwesterly of the Arroyo del Puerto, being the Easterly line of the land conveyed in deed from P.A. Forrester, et al., to George Hearst recorded May 22, 1871, in Book C of Deeds at Page 313 in the Recorders Office of said County.

PARCEL P.B.-16 (Certificate of Compliance 2001-098861)

A portion of the Rancho Piedra Blanca granted by the Mexican Nation to Jose de Jesus Pico on the 18th day of January, 1840 and finally confirmed to said Pico by decree of the District Court of the United States of the Southern District of California 25th September 1855, and as per Patent from the United States to Jose de Jesus Pico recorded February 20, 1878 in Book B of Patents at Page 30 in the County Recorders Office of San Luis Obispo County, State of California described as follows:

That portion of said Rancho described in the Director's Deed (Cal Trans Parcel #645-DD as shown on Right of Way Map 05-SLO-001 Post Mile 57.8 to 58.4, updated April 27, 1966) from the State of California to The Hearst Corporation, recorded August 8, 1966, in Book 1405, Page 715 of Official Records of said County, lying Northwesterly of the Arroyo del Puerto, being the Easterly line of the land conveyed in deed from P.A. Forrester, et al., to George Hearst recorded May 22, 1871, in Book C of Deeds at Page 313 in the Recorders Office of said County.

PARCEL P.B.-18 (Certificate of Compliance 2002-066313)

That part of the Rancho Piedra Blanca in the County of San Luis Obispo, State of California, described in the deed to Phoebe A. Hearst and recorded January 2, 1917 in Book 113 of Deeds at Pate 290, records of said County, more particularly described and repeated here as follows:

BEGINNING at a redwood stake G1 in stone mound on bluff bank on shore of Pacific Ocean at most Westerly corner of the 263-acre tract of land conveyed to H.F. Muma by George Buryar by deed dated April 30, 1872, and recorded in Book "D" of Deeds at Page 81, San Luis Obispo County Records (the fence post at Southwesterly end of fence of said 263-acrea tract bears North 63° East, 23.10 feet; thence from said post G1 running along fence line on Westerly line of said 263-acre tract North 44° East, 5959,80 feet to post G2 at Northwesterly corner of said 263-acre tract and in line of fence between lands of Phoebe A. Hearst and the lands herein described; thence along said last above named line North 46°45' West, 2049,30 feet to stake M1; thence parallel with said Northwesterly line of said Muma 263acre tract South 44° West, 6850.80 feet to the shore of the Pacific Ocean (W.P.M. 2 bears North 44° East, 9.24 feet, and post 1-2-8 at corner of Lots 3, 5 and 6 of the Luis Castro Subdivisions of the Peter Gillis Tract bears North 29° West, 214.50 feet; thence meandering along the said Ocean shore on the following courses and distances: South 29° East, 386.10 feet; South 89° East, 396 feet; North 43° East, 257.40 feet; North 56° East, 462 feet; North 80° East, 336.60 feet; South 71°30' East, 198 feet; South 35° East, 481.80 feet; South 39°15' East, 132 feet; and South 15°15' East, 382.80 feet to said post G1, the place of beginning; and being parts of Lots 1, 2 and 3 of the aforesald Luis Castro Subdivisions, containing, including the area in the County Road within the exterior boundaries hereof, 288 02/100 acres of land, more or less, and further described as that part of the Rancho Piedra Blanca designated at Tract "B" on that "Plot of Partition of Lands of the Gillis Estate" made by C.D. King and A.F. Parsons,

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which said plot is filed in the Office of the County Recorder of the County of San Luis Obispo, and to which reference is hereby made, and being the same deeded C.O. King, referee to E.F. Muma by deed bearing date October 23, 1905, and recorded in the County Recorder's Office, San Luis Obispo County, in Volume 68 of Deeds at Page 66 thereof.

EXCEPTING therefrom that property described in the Certificate of Compliance recorded December 20, 2001 as Document No. 2001-098854, records of said County.

PARCEL P.B.-19 (Certificate of Compliance 2002-066314)

That part of the Rancho Piedra Blanca in the County of San Luis Obispo, State of California, described in the deed to Phoebe A. Hearst and recorded October 23, 1905 in Book 68 of Deeds at Page 58, records of said County, more particularly described and repeated here as follows:

Beginning at post M1 on line dividing lands of Phoebe A. Hearst from the lands herein described (the corner of Lots 2 and 4 on the dividing line of the Luis Castro Subdivision of the Peter Gillis Tract of the Rancho Piedra Blanca bears North 47°15' West, 203,94 feet and post G2 at most Northerly corner of the 263-acre tract conveyed by Geroge Buryar to B.F. Muma by deed dated April 30th, 1872, recorded in Book "D" of Deeds at Page 81, San Luis Obispo County Records, bears South 46°45' East, 2049.30 feet; thence from said post M1 along said dividing line of said Hearst lands and lands herein described North 47°15' West, 3820,08 feet to stake G3 in old bed of Arroyo del Corral; thence meandering down said Arroyo on the following courses and distances; North 71° West, 534.60 feet; North 56° West, 349.80 feet; North 83°30' West, 435.60 feet; South 29° West, 528 feet; North 87°30' West, 264 feet; South 69°15' West, 488.40 feet; South 74° West, 613.80 feet; South 62° West, 356.40 feet; South 88° West, 382.70 feet; South 48°15' West, 224.40 feet; South 83°15' West, 237.60 feet; South 79°30' West, 825.00 feet: South 54°45' West, 613,80 feet: South 53° West, 231,00 feet to mouth of said Arroyo, on shore line of Pacific Ocean. Thence meandering along said Ocean shore line as follows: South 7°45' West, 534.60 feet; South 16°45' West, 165.00 feet; South 26°30' East, 435.60 feet; South 0°45' West, 528 feet; South 20°15' West, 547.80 feet; South 21°45' West, 349.80 feet; South 4°15' West, 475.20 feet; South 67°15' East, 508,20 feet; South 25°30' East, 396 feet to post marked 1-3-7 at Northwest corner of Lot 6 of the Luis Castro Subdivisions aforesaid. Thence leaving said Ocean shore and running along the dividing line between said Lot 6 and Lot 5 of said Castro Subdivisions South 43°15' East, 1514.04 feet to post 2-3 on said dividing line at corner to Lots 5 and 8 of said Castro Subdivisions. Thence along dividing line between Lots 5 and 6 of said Castro Subdivisions South 46°45' East, 2112 feet to post marked 1-2-8 at common corner to Lots 3, 5 and 6 of said Castro Subdivisions. The lantern at Piedra Blanca Lighthouse bears South 74°30' West and a spring at floor of bluff bank of Pacific Ocean bears North 80° West. Thence South 29° East along bluff bank near Ocean shore North 44° East, 6850.80 feet to said post M1, the point of beginning. Being Lots 4, 5, 7, 8 and 9 and parts of Lots 2 and 3 of the Luis Castro Subdivisions aforesaid, containing, including the area in the County Road within the exterior boundaries thereof, 880 and 69/100 acres of land more or less, and further described as that part of the Rancho Piedra Blanca designated as Tract "A" on the "Plot of Partition of Lands of the Gillis Estate" made by C.O. King and A.F. Parsons, which said plot is filed in the Recorders Office of the County of San Luis Obispo and to which reference is hereby made.

Excepting therefrom, all coal and other minerals, 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 reserved by the United States in the following patents:

Book Page Rec Date Township Range Section Description

K 135 04/15/1921 25S 6E 01 S1/2 OF NE1/4 K 194 04/24/1922 25S 6E 13 SW1/4 OF NE1/4, E1/2 OF SE1/4, S1/2 OF NW1/4, NW1/4 OF NW1/4

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0214 206 03/15/1937 25S 7E 02 SW1/4 OF NW1/4, W1/2 OF SW1/4
K 427 11/29/1927 25S 7E 02 LOT 3, SE1/4 OF NW1/4, E1/2 OF SW1/4
K 135 04/15/1921 25S 7E 06 LOTS 4 AND 5, SE1/4 OF NW1/4
K 278 10/04/1923 25S 7E 07 SE1/4 OF SW1/4
0214 206 03/15/1937 25S 7E 11 S1/2 OF SE1/4
K 427 11/29/1927 25S 7E 11 W1/2 OF NE1/4, N1/2 OF SE1/4,NE1/4 OF NW1/4
K 538 11/10/1931 25S 7E 13 NW1/4, NW1/4 OFNE1/4, S1/2 OF NE1/4, SE1/4, NE1/4 OF SW1/4,LOT 2
K 278 10/04/1923 25S 7E 17 SW1/4 OF SE1/4, SW1/4
K 194 04/24/1922 25S 7E 18 LOTS 3 AND 4
K 278 10/04/1923 255 7E 18 W1/2 OF NE1/4, SE1/4 OF NE1/4, NE1/4 OF NW1/4, SE1/4, E1/2 OF SW1/4
K 194 04/24/1922 25S 7E 19 LOTS 1 AND 2, SE1/4 OF NW1/4, SW1/4 OF NE1/4
K 257 05/18/1923 25S 7E 19 E1/2 OF NE1/4, NW1/4 OF NE1/4
K 257 05/18/1923 25S 7E 20 LOTS 2 AND 3, SW1/4 OF NE1/4, W1/2 OF NW1/4, SE1/4 OF NW1/4
K 378 08/09/1926 25S 7E 24 LOT 2
K 538 11/10/1931 25S 7E 24 LOT 1, N1/2 OF NE1/4
K 472 05/09/1929 25S 8E 05 W1/2 OF LOT 4, LOTS 7, 8, 9 AND 10, W1/2 OF SE1/4, SE1/4 OF SE1/4
K 556 03/20/1933 25S 8E 05 LOT 12
0192 126 04/22/1936 25S 8E 06 LOTS 4, 5, 6, 10, 11, 12, 13, 14, 15 AND 17, NE1/4 OF SW1/4, N1/2 OF
SE1/4
K 472 05/09/1929 25S 8E 06 LOT 9
0214 206 03/15/1937 25S 8E 07 LOTS 9, 10, 11 AND 12
K 498 06/05/1930 25S 8E 07 LOTS 1,2, 4, 5, 6 AND 7
K 472 05/09/1929 25S 8E 08 NE1/4 OF NE1/4
K 472 05/09/1929 25S 8E 09 N1/2 OF NW1/4
K 281 10/19/1923 25S 8E 10 SW1/4 OF SW1/4
K 430 12/16/1927 25S 8E 14 E1/2 OF NW1/4
K 281 10/19/1923 25S 8E 15 NW1/4, NE1/4 OF SW1/4, N1/2 OF SE1/4, SE1/4 OF SE1/4
0214 206 03/15/1937 25S 8E 18 LOTS 3, 4, 5, 6 AND 7
K 378 08/09/1926 25S 8E 18 LOT 1, SW1/4 OF SE1/4
K 378 08/09/1926 25S 8E 19 NE1/4 OF NE1/4
K 378 08/09/1926 25S 8E 20 N1/2 OF NW1/4, SE1/4 OF NW1/4
K 477 07/20/1929 25S 8E 21 S1/2 OF NE1/4, SE1/4 OF SE1/4
K 563 05/29/1933 25S 8E 21 SW1/4 OF NW1/4, SW1/4
K 357 12/30/1925 25S 8E 22 SE1/4 OF NE1/4
K 477 07/20/1929 25S 8E 22 S1/2 OF SW1/4, NE1/4 OF SW1/4, SW1/4 OF SE1/4
0294 105 04/02/1941 25S 8E 23 S1/2 OF SE1/4, NE1/4 OF SW1/4
K 357 12/30/1925 25S 8E 23 NW1/4 OF SW1/4
0294 105 04/02/1941 25S 8E 25 N1/2 OF NW1/4
K 477 07/20/1929 25S 8E 25 S1/2 OF NW1/4, NE1/4 OF SW1/4, SW1/4 OF SW1/4
K 357 12/30/1925 25S 8E 26 N1/2 OF NE1/4, SE1/4 OF NE1/4, NE1/4 OF NW1/4
0294 104 04/02/1941 25S 8E 27 S1/2 OF SW1/4
K 477 07/20/1929 25S 8E 27 N1/2 OF NW1/4
K 569 10/02/1933 25S 8E 27 SW1/4 OF NW1/4
K 598 10/22/1935 25S 8E 27 NE1/4, SE1/4 OF NW1/4, N1/2 OF SW1/4,W1/2 OF SE1/4
K 477 07/20/1929 25S 8E 28 NE1/4 OF NE1/4
K 569 10/02/1933 25S 8E 28 SE1/4 OF NW1/4, W1/2 OF NE1/4, SE1/4 OF NE1/4.
K 598 10/22/1935 25S 8E 28 N1/2 OF SE1/4, SE1/4 OF SW1/4
K 569 10/02/1933 25S 8E 29 NE1/4 OF NE1/4
K 566 06/29/1933 25S 8E 32 LOT 1, 2 AND 3
K 568 07/21/1933 25S 8E 32 SE1/4 OF NE1/4, NE1/4 OF SE1/4
K 476 07/01/1929 25S 8E 33 NE1/4 OF NE1/4
K 568 07/21/1933 25S 8E 33 SW1/4 OF NE1/4, W1/2 OF SE1/4, S1/2 OF NW1/4, SW1/4
                                                                                   Page 47 of 56
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MAAS: 231730 - 2/10/05
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FATCO: 1687885 &1674628

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K 590 02/18/1935 25S 8E 33 SE1/4 OF NE1/4, E1/2 OF SE1/4
K 598 10/22/1935 25S 8E 33 NW1/4 OF NE1/4
0294 104 04/02/1941 25S 8E 34 E1/2 OF NW1/4, S1/2 OF NE1/4, E1/2 OF SE1/4
K 476 07/01/1929 25S 8E 34 W1/2 OF NW1/4
K 598 10/22/1935 25S 8E 34 N1/2 OF NE1/4
0294 104 04/02/1941 25S 8E 35 W1/2 OF SW1/4
0294 105 04/02/1941 25S 8E 35 SW1/4 OF NW1/4
K 477 07/20/1929 25S 8E 35 N1/2 OF NE1/4
K 535 10/03/1931 25S 8E 35 SW1/4 OF SE1/4, NW1/4 OF SE1/4
K 590 02/18/1935 25S 8E 35 SE1/4 OF NW1/4, E1/2 OF SW1/4
K 598 10/22/1935 25S 8E 35 NW1/4 OF NW1/4
K 571 11/29/1933 26S 8E 01 E1/2 OF SE1/4
K 597 09/11/1935 26S 8E 01 LOTS 1, 2, 3 AND 4, W1/2 OF SE1/4, NE1/4 OF SW1/4, SW1/4 OF SW1/4
K 590 02/18/1935 26S 8E 02 LOTS 3 AND 4, N1/2 OF SW1/4, SW1/4 OF SW1/4
K 597 09/11/1935 26S 8E 02 SE1/4 OF SE1/4
K 571 11/29/1933 26S 8E 03 LOTS 6 AND 7
K 590 02/18/1935 26S 8E 03 LOT 1, N1/2 OF SE1/4, N1/2 OF SW1/4
K 597 09/11/1935 26S 8E 03 LOT 4
K 568 07/21/1933 26S 8E 04 LOTS 3, 4, 5, 7 AND 8, SW1/4 OF SE1/4
K 590 02/18/1935 26S 8E 04 LOTS 1 AND 2, NE1/4 OF SE1/4
K 568 07/21/1933 26S 8E 05 LOTS 1 AND 2
K 571 11/29/1933 26S 8E 10 SE1/4 OF SE1/4
K 571 11/29/1933 26S 8E 11 SW1/4 OF SW1/4
K 597 09/11/1935 26S 8E 11 NW1/4 OF NE1/4
K 571 11/29/1933 26S 8E 12 N1/2 OF NE1/4, SE1/4 OF NE1/4
K 571 11/29/1933 26S 8E 13 NW1/4 OF SW1/4
K 571 11/29/1933 26S 8E 14 N1/2 OF N1/2, SE1/4 OF NE1/4
K 571 11/29/1933 26S 8E 15 NE1/4 OF NE1/4
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Excepting therefrom 1/16 of all coal, oil, gas and other mineral deposits, contained in said lands, as provided by the act of the Legislature approved May 25, 1921 Chapter 303, Statues of California, 1921 as reserved by the State of California in the following patents:

Book Page Rec Date Township Range Section Description

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K 511 11/17/1930 25S 6E 12 W1/2 OF NE1/4
K 436 02/20/1928 25S 7E 01 SW1/4 OF NW1/4
K 436 02/20/1928 255 7E 02 LOT 1
K 574 02/08/1934 25S 7E 04 LOTS 2 AND 3
K 363 03/20/1926 25S 7E 05 LOTS 1, 2, 5, 6 AND 10
K 252 05/11/1923 25S 7E 07 LOT 1, SW1/4 OF SE1/4
K 363 03/20/1926 25S 7E 08 SE1/4 OF NW1/4
K 252 05/11/1923 25S 7E 18 LOT 2
K 367 04/21/1926 255 7E 18 SE1/4 OF NW1/4
K 252 05/11/1923 25S 7E 19 NE1/4 OF NW1/4, SE1/4
K 252 05/11/1923 25S 7E 20 NW1/4 OF SE1/4, SW1/4
K 252 05/11/1923 25S 7E 29 NW1/4 OF NW1/4
K 252 05/11/1923 255 7E 30 NE1/4 OF NE1/4
K 402 03/08/1927 25S 8E 16 N1/2 OF NW1/4, SW1/4 OF NW1/4
K 515 01/21/1931 25S 8E 36 SE1/4 OF NW1/4, SW1/4
K 042 08/20/1927 265 8E 14 SW1/4 OF NE1/4
K 307 05/05/1924 26S 8E 23 LOT 3
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Excepting therefrom, all oil and gas, together with the right to prospect for, mine and remove the oil and gas owned by the United States under applicable law and such regulations as the Secretary of Interior may prescribe as reserved by the United States in the following patents:

Book Page Rec Date Township Range Section Description

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3239 366 12/07/1988 25S 7E 02 LOT 4
3239 366 12/07/1988 25S 7E 03 LOTS 2, 3 AND 4, SW1/4 OF NE1/4, S1/2 OF NW1/4, N1/2 OF SW1/4,
NW1/4 OF SE1/4
3239 366 12/07/1988 25S 7E 04 LOT 1, S1/2 OF NE1/4, N1/2 OF SE1/4, SE1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 04 LOTS 3, 4, 5 AND 8, W1/2 OF LOT 7, SW1/4, W1/2 OF SE1/4
3239 366 12/07/1988 25S 8E 05 LOTS 1, 2, 3, 5, 6, 11, 13 AND 14, E1/2 OF LOT 4, NE1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 06 LOT 16
3239 366 12/07/1988 25S 8E 08 W1/2 OF NE1/4, E1/2 OF NW1/4, NW1/4 OF NW1/4, NE1/4 OF SW1/4
3239 366 12/07/1988 25S 8E 09 SE1/4 OF NE1/4, NE1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 10 S1/2 OF NE1/4, SE1/4
3239 366 12/07/1988 25S 8E 15 NE1/4
3239 366 12/07/1988 25S 8E 17 SW1/4, SW1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 18 N1/2 OF SE1/4, SE1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 23 NW1/4 OF NE1/4, S1/2 OF NE1/4, N1/2 OF SE1/4,NE1/4 OF NW1/4
3239 366 12/07/1988 25S 8E 26 S1/2 OF SW1/4
3239 366 12/07/1988 25S 8E 28 S1/2 OF SE1/4
3239 366 12/07/1988 25S 8E 35 NE1/4 OF NW1/4
3239 366 12/07/1988 25S 9E 01 NE1/4 OF SE1/4
3239 366 12/07/1988 25S 9E 19 SE1/4 OF NE1/4
3239 366 12/07/1988 25S 9E 28 S1/2 OF SE1/4
3239 366 12/07/1988 25S 9E 29 NE1/4 OF NW1/4
3290 719 03/30/1989 25S 9E 31 LOTS 3 AND 4, SE1/4 OF NW1/4, NE1/4 OF SW1/4
3290 719 03/30/1989 26S 8E 03 LOTS 2 AND 3
3290 719 03/30/1989 26S 8E 16 LOT 1
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Excepting therefrom, all oil and gas, together with the right to prospect for, mine and remove the oil and gas owned by the United States under applicable law and such regulations as the Secretary of Interior may prescribe as reserved by the United States in the following patents:

Book Page Rec Date Township Range Section Description

FATCO: 1687885 &1674628

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3239 366 12/07/1988 25S 7E 02 LOT 4
3239 366 12/07/1988 25S 7E 03 LOTS 2, 3 AND 4, SW1/4 OF NE1/4, S1/2 OF NW1/4, N1/2 OF SW1/4,
NW1/4 OF SE1/4
3239 366 12/07/1988 25S 7E 04 LOT 1, S1/2 OF NE1/4, N1/2 OF SE1/4, SE1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 04 LOTS 3, 4, 5 AND 8, W1/2 OF LOT 7, SW1/4, W1/2 OF SE1/4
3239 366 12/07/1988 25S 8E 05 LOTS 1, 2, 3, 5, 6, 11, 13 AND 14, E1/2 OF LOT 4, NE1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 06 LOT 16
3239 366 12/07/1988 25S 8E 08 W1/2 OF NE1/4, E1/2 OF NW1/4, NW1/4 OF NW1/4, NE1/4 OF SW1/4
3239 366 12/07/1988 25S 8E 09 SE1/4 OF NE1/4, NE1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 10 S1/2 OF NE1/4, SE1/4
3239 366 12/07/1988 25S 8E 15 NE1/4
3239 366 12/07/1988 255 8E 17 SW1/4, SW1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 18 N1/2 OF SE1/4, SE1/4 OF SE1/4
3239 366 12/07/1988 25S 8E 23 NW1/4 OF NE1/4, S1/2 OF NE1/4, N1/2 OF SE1/4, NE1/4 OF NW1/4
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3239 366 12/07/1988 25S 8E 26 S1/2 OF SW1/4
3239 366 12/07/1988 25S 8E 28 S1/2 OF SE1/4
3239 366 12/07/1988 25S 8E 35 NE1/4 OF NW1/4
3239 366 12/07/1988 25S 9E 01 NE1/4 OF SE1/4
3239 366 12/07/1988 25S 9E 19 SE1/4 OF NE1/4
3239 366 12/07/1988 25S 9E 28 S1/2 OF SE1/4
3239 366 12/07/1988 25S 9E 29 NE1/4 OF NW1/4
3290 719 03/30/1989 25S 9E 31 LOTS 3 AND 4, SE1/4 OF NW1/4, NE1/4 OF SW1/4
3290 719 03/30/1989 26S 8E 03 LOTS 2 AND 3
3290 719 03/30/1989 26S 8E 16 LOT 1
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Excepting therefrom all minerals together with the right to prospect for, mine and remove minerals owned and reserved by the United States as reserved by the United States in the following patent:

Book Page Rec Date Township Range Section Description

3290 719 03/30/1989 26S 8E 03 LOT 5

Excepting therefrom said Lot 2, Section 3, Township 25S, Range 6E, an undivided 1/16 of all coal, oil, oil shale, gas, phosphate, sodium and other mineral deposits in said land as reserved to the State of California by provisions of an Act of Legislature, Statues of 1921, page 404 and amendments thereto.

EXCEPTING THEREFROM THE ABOVE DESCRIBED PARCELS P.B.-2, P.B.-3, P.B.-4, P.B.-5, P.B.-7, P.B.-8, P.B.-9, P.B.-11, P.B.-12, P.B.-13, P.B.-14, P.B.-15, P.B.-16, P.B.-18, and P.B.-19 those portions lying generally West of the Westerly right of way of State Highway 1, and EXCEPTING that portion within State Highway 1 as said Highway 1 exists as of 2/10/05, and as described in the following deeds to or from the State of California:

STATE OF CALIFORNIA HIGHWAY DEEDS:

Caltrans Parcel # Grantor Date Vol. / Page

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Post Mile 54.9 to 59.2
33 E. Bianchini, et. ux. 10/13/32 128 / 484
32 Piedmont Land & Cattle Co. 1/26/32 119 / 482
42 Hearst Sunical Land & Pack Corp. 1/09/39 253 / 51
189 Willis V. Dalton 8/31/60 1082 / 113
190 Edward Woodhall, et. ux. 8/23/60 1080 / 521
191 Willard H. Allen, et. ux. 9/12/60 1083 / 375
645 Hearst Corporation 3/18/66 1389 / 719
1633 Co. of San Luis Obispo (Relinquish) 6/30/67 1440 / 350
854 Co. of San Luis Obispo (Relinquish) 1/09/39 253 / 39
855 Original Owners (Abandonment) 1/09/39 253 / 43
857 Original Owners (Abandonment) 1/09/39 253 / 41
856 Co. of San Luis Obispo (Relinquish) 1/09/39 253 / 41
646 Co. of San Luis Obispo 11/29/66 1417 / 562
645-5A State Parks and Recreation (Transfer of Control) 4/27/66 Not Recorded
645-DD Hearst Corporation (Dir. Deed) 8/08/66 1405 / 715
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Post Mile 59.2 to 60.0 A William R. Hearst Book of Deeds 7/27/22 156 / 462 32 Piedmont Land & Cattle Co. 1/26/32 119 / 482

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42 Hearst Sunical Land & Pack Corp. 1/09/39 253 / 51 855 Original Owners (Abandonment) 1/09/39 253 / 43 7 The Hearst Corp. (a Delaware Corp.) 1/22/54 742 / 343 1713 Hearst Sunical Land and Packing Company 8/11/67 1444 / 743 1721 Hearst Sunical Land and Packing Company 8/11/67 1444 / 743 857 Original Owners (Abandonment); see Parcel C 1/09/39 253 / 41 2877 Original Owners (Abandonment) 7/06/78 2083 / 910 4340 Original Owners (Vacation) 4/05/83 2476 / 118

Post Mile 60.0 to 61.4
C William R. Hearst Book of Deeds 7/27/22 156 / 462
B Hearst Sunical Land & Pack Corp. (Agreement) 1/09/39 253 / 44
855 Original Owners (Abandonment) 1/09/39 253 / 43
4124 Hearst Corporation 5/12/82 2406 / 476
4340 Original Owners (Vacation) 4/05/83 2476 / 118
4125 Hearst Corporation 5/12/82 2406 / 476
TC4124-01-01 Dept. of Parks & Recreation (Transfer of Control) 8/13/90 3559 / 731
DK4124-01-02 Hearst Corporation 11/04/97 1997-062746
JUA361.31A Pacific Telephone and Telegraph Co. (Joint Use Agre.) 10/15/79 2193 / 716
CCU357.31A Pacific Bell Tele. Co. (Consent Common Use Agre.) 7/23/84 2616 / 895
3925 Hearst Corporation 10/25/77 2020 / 387
4058 Original Owners (Abandonment) 11/14/78 2113 / 993
3926 Hearst Corporation 10/25/77 2020 / 387

Post Mile 61.4 to 64.1

A William R. Hearst Book of Deeds 7/27/22 156 / 462
5435 The Hearst Corp. 7/12/95 1995-029222
5434 The Hearst Corp. 7/12/95 1995-029222

DK6028 The Hearst Corp. 12/04/98 1998-080907
5656 The Hearst Corp. Includes turn-out 11/05/97 1997-062965
5657 The Hearst Corp. Includes turn-out 11/05/97 1997-062965
TC4125-02-01 Dept. of Parks & Recreation Includes turn-out 4/17/96 1996-019117

A William R. Hearst Book of Deeds 7/27/22 156 / 462 1 D.E. Evans Book of Deeds 6/23/21 146 / 279 2 W. J. Evans Book of Deeds 6/23/21 146 / 282 3 John C. Evans Book of Deeds 6/23/21 146 / 280 4 W.R. Evans Book of Deeds 6/23/21 146 / 283 6 T.C. Evans Book of Deeds 6/23/21 146 / 281 5 Hearst Sunical Land & Packing Co. 1/09/39 253 / 47

4048 The Hearst Corp. 12/07/78 2119 / 124 4049 The Hearst Corp. 12/07/78 2119 / 124

Post Mile 64.1 to 71.2 3787 Hearst Corp. 3/21/75 1824 / 737 3788 J.M. Valois 6/27/75 1840 / 506 4050 J.M. Valois 2/13/79 2133 / 401 4149 The Hearst Corp. 8/07/80 2260 / 88 4150 The Hearst Corp. 8/07/80 2260 / 88 1722 Hearst Sunical Land and Packing Company 8/11/67 1444 / 743

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Post Mile 64.1 to 71.2

1714 Hearst Sunical Land and Packing Company 8/11/67 1444 / 743 855 Original Owners (Abandonment) 1/09/39 253 / 43

Post Mile 71.2 to 72.0 8-A&B Hearst Corporation 5/10/56 846 / 14 2 William J. Evans, et. ux. 3/19/28 47 / 54 9 Tony Williams, et. ux. 11/07/56 869 / 94 G Adelaide Valenzuela Book of Deeds 9/03/21 148 / 98 F Antonio D. Russ Book of Deeds 10/03/21 148 / 100

Post Mile 64.1 to 66.5

8539 Hearst Holdings, Inc 2905 2005010260

8566 Hearst Holdings, Inc 2905 2005010260

8540 Hearst Holdings, Inc 2905 2005010259

8541 Hearst Holdings, Inc 2905 2005010259

DK9995-01-01 California Department of Transportation

DK9996-01-01 California Department of Transportation

ALSO EXCEPTING THEREFROM TNC Parcels 1 and 2 described as follows:

Parcel 1:

Lots 2, 3 and 5 in Section 3 of Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the official plat hereof.

Excepting from Lot 5 that portion lying within the Pine Mountain Consolidated Mine, Mineral Survey No. 4407.

Parcel 2:

Government Lot 1 of Section 16 in Township 26 South, Range 8 East, Mount Diablo Base and Meridian, in the County of San Luis Obispo, State of California, according to the official plat of the survey of said land, approved by the Surveyor General.

ALSO EXCEPTING THEREFROM Polar Star Mine Parcels 1 through 9 described as follows:

That portion of Section 13 in Township 25 South, Range 6 East, Mount Diablo Meridian, in the County of San Luis Obispo commonly known as the "Polar Star Mines" described as follows:

Polar Star No. 1

(as described in the document recorded November 24, 1931, in Book 13, Page 369 of Mines, records of said County):

Commencing at the Northwesterly end center of said claim, a stake, the discovery monument being a point which is 8.72 chains East of a point distant 12.24 chains South of the Northwest Corner of Section 13, Township 25 S. R. 6 E. M. D. M. thence from said point of beginning running South 28° 30′ West, 300 ft. to stake, thence South 61° 30′ East 1500 ft. to stake thence North 28° 30′ East, 600 ft. to stake; thence North 61° 30′ West, 1500 ft. to stake, thence South 28° 30′ West 300 ft. to point of beginning.

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Polar Star No. 2

(as described in the document recorded November 24, 1931, in Book 13, Page 370 of Mines, records of said County):

Commencing at Easterly center end of Polar Star No. 1, a stake and point of beginning. Running North 28° 30' East 300 ft. thence South 61° 30' East, 1500 ft. thence South 28° 30' West 600 ft. thence North 61° 30' West 1500 ft. thence North 28° 30' East, 300 ft. to point of beginning, being in Section 13, Township 25 S. R. 6 E. M. D. M.

Polar Star No. 3

(as described in the document recorded October 13, 1942, in Book 326, Page 117 of Official Records of said County):

Beginning at the center stake on the Northwesterly boundary of Polar Star No. 1; thence S 28° 30 W 300 ft. to the Southwest corner of said Polar Star No. 1, thence Northwesterly along the produced Southwesterly boundary of Polar Star No. 1 392 ft more or less to the section line between Sections 13 & 14, T 25 S R 6 E M.D.B.&M. thence northerly along the said section line a distance of 671.33 ft to a point from which the northwest corner of Section 13 as shown by intersection of old fences, bears North 76.9 ft, thence on a line parallel with the South boundary of this claim (Polar Star No. 3) Southeasterly to a point on the northwesterly boundary of Polar Star No. 1, a distance of 714.3 ft. and thence S 28° 30′ W to the place of beginning. Said claim being a fraction and containing 7.6 acres a little more or less, all the courses except the point of beginning which is a 4″ X 4″ X 3′ stake, being marked by ½″ galvanized pipes driven firmly into the ground and their position marked by 1″ X 3″ X 3′ markers.

Polar Star No. 4

(as described in the document recorded August 31, 1942, in Book 316, Page 435 of Official Records of said County):

Beginning at a point on the north line of Section 13, T. 25S. R 6E M.D.B. & M. where it is intersected by the Northeasterly production of the Northwest line of Polar Star No. 1. Thence in a Southwesterly direction along the said produced line of Polar Star No. 1 to the Northwest corner thereof; thence in a Southeasterly direction along the northeasterly boundary of Polar Star No. 1 to its Northeast Corner; thence Northeasterly along the produced Southeasterly line of Polar Star No. 1 a distance of 600 ft to a stake; thence Northwesterly and parallel to the northeasterly boundary of Polar Star No. 1 to a point where it intersects the North boundary of Section 13 of said Township and Range and thence along the said Section line to the place of beginning.

Polar Star No. 5

(as described in the document recorded August 31, 1942, in Book 316, Page 436 of Official Records of said County):

Beginning at the S.W. corner of Polar Star No. 1; thence Southwesterly along the produced northwesterly line of Polar Star No. 1 a distance of 600 ft. thence on a line that is parallel with the Southwesterly line of Polar Star No. 3 in a Northwesterly direction to the Section line running North and South between Section 13 and 14 in Township 25 S. R 6E, M. D. B. & M.; thence North along the said section line to a point where it is intersected by the Southwesterly line of Polar Star No. 3 and thence in a Southeasterly direction along the said Southwest line of Polar Star No. 3 to the place of beginning.

Polar Star No. 6

(as described in the document recorded August 31, 1942, in Book 316, Page 436 of Official Records of said County):

Beginning at the Southwesterly corner of Polar Star No. 1; thence Southwesterly along the produced Northwesterly line of Polar Star No. 1 a distance of 600 ft to a stake; thence Southeasterly on a line parallel with the Southwesterly boundary of Polar Star No. 1 a distance of 1500 ft. more or less to a point where it is intersected by the produced Southeasterly line of said Polar Star No. 1; thence Northeasterly

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along the said produced line a distance of 600 ft to the Southeast corner of said Polar Star No. 1 and thence Northwesterly along the Southwesterly line of Polar Star No. 1 to the place of beginning.

Polar Star No. 7

(as described in the document recorded October 13, 1942, in Book 326, Page 118 of Official Records of said County):

Beginning at the Northwest corner of Polar Star No. 1; thence along the Northeast. line of Polar Star No. 3 to where it intersects the West line of Section 13 Township 25 S R 6 E M.D.B.& M. thence along the west line of said Section 13 to the Northwest corner of the section thence East along the north line of Section 13 to where it intersects the Northwest line of Polar Star No. 4 thence Southwesterly along the Northwest line of Polar Star No. 4 to the point of beginning.

Polar Star No. 8

(as described in the document recorded October 13, 1942, in Book 326, Page 118 of Official Records of said County):

Beginning at the northwest corner of Polar Star No. 2; thence Northeasterly along the southeast boundary of Polar Star No. 4 to the Northeast corner of Polar Star No. 4 thence Southeasterly 1500 ft. or less along a line parallel to the Northeast line of Polar Star No. 2 thence Southwesterly 600 ft to the Northeast corner of Polar Star No. 2 and thence along the Northeasterly line of Polar Star No. 2 to the place of beginning.

Polar Star No. 9

(as described in the document recorded October 13, 1942, in Book 326, Page 119 of Official Records of said County):

Beginning at the Southwest corner of Polar Star No. 2; thence along the Southwest line of Polar Star No. 2 to the Southeast corner of Polar Star No. 2 thence Southwesterly 600 ft along a line parallel to the Southeast line of Polar Star No. 6, thence northwesterly 1500 ft. along a line parallel to the Southwest line of Polar Star No. 2 to the Southeast corner of Polar Star No. 6 thence along the Southeast line of Polar Star No. 6 to the point of beginning.

ALSO EXCEPTING THEREFROM Visitor Center Envelope Parcels 1 and 2 described as follows:

Parcel 1:

A portion of the Rancho Piedra Blanca as described in certificate of compliance, recorded as Instrument. No. 2001-098848, dated December 20, 2001 in the county records office of San Luis Obispo County, California described as follows;

Beginning at a point described as a ¾" iron rod with aluminum cap stamped "1982, LS 4280 No.·6" marking the most north easterly corner of that certain tract of land known as Parcel 1, and recorded in the deed to the State of California, dated January 29, 1985, in Volume 2691, Page 124 of Official Records of the County of San Luis Obispo;

1) Thence from said point N 18°28'43"E, 177.90 feet;

2) Thence N 59°00'59"W, 264.82 feet to the boundary line of that parcel known as Parcel 1, and described in the deed to the State of California, recorded March 14, 1958, and recorded in Volume 931, Page 487 of Official Records of the County of San Luis Obispo:

3) Thence along the boundary line of said parcel, S 24°03'50" W, 212.43 feet, to a ¾" iron rod with aluminum cap stamped "1982, LS 4280 No. 7" marking the most northerly corner of that certain tract of land known as Parcel 1, and described in the deed to the State of California, dated January 29, 1985, and recorded in Volume 2691, Page 124 of Official Records of the County of San Luis Obispo;

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4) Thence along the boundary line of said parcel, S 66°38'41" E, 280.23 feet to the point of beginning.

Parcel 2:

Beginning at the westerly terminus of that certain course described as "N 51°27′30" W, 50.76 feet" in Deed of Gift to the State of California recorded March 14, 1958, in Volume 931, Page 487 of Official Records of the County of San Luis Obispo, also being the point of beginning of Parcel 2, as described in the deed to the State of Ca1ifrnia, dated January 29, 1985, and recorded in Volume 2691, Page 124 of Official Records of the County of San Luis Obispo;

- 1) Thence along the south westerly line of said Parcel 2 line N 51°27'30" W, 75.00 feet;
- 2) Thence leaving said line S 18°06'19" W, 221.59 feet;
- 3) Thence S 48°13'27" E, 626.39 feet;
- 4) Thence N 36°09′20″ E, 242.03 feet, to the south line of that parcel known as Parcel 1, and described in the deed to the State of California, recorded March 14, 1958, and recorded in Volume 931, Page 487 of Official Records of the County of San Luis Obispo;
- 5) Thence along said south line N 51°20'33" W 566.88 feet;
- 6) Thence continuing along said line N 51°27′30″ W 50.76 feet to the point of beginning.

TOGETHER WITH the Junge Ranch east side described as follows:

That portion of real property in the County of San Luis Obispo, State of California, as described in the Certificate of Compliance recorded April 5, 2002 as Document Number 2002-028665 in the Office of the County Recorder of said County which lies northeasterly of the northeasterly right of way of State Highway 1 as described in the deed to the State of California recorded in Book 1427 of Official Records at Page 671, records of said County.

TOGETHER WITH all of that real property in the County of San Luis Obispo, State of California, as described in the Certificate of Compliance recorded April 5, 2002, as Document Number 2002-028663 in the Office of the County Recorder of said County.

TOGETHER WITH all of that real property in the County of San Luis Obispo, State of California, as described in the Certificate of Compliance recorded April 5, 2002, as Document Number 2002-028664 in the Office of the County Recorder of said County.

TOGETHER WITH all of that real property in the County of San Luis Obispo, State of California, as described in the Certificate of Compliance recorded April 5, 2002, as Document Number 2002-028666 in the Office of the County Recorder of said County.

TOGETHER WITH all of that real property in the County of San Luis Obispo, State of California, as described in the Certificate of Compliance recorded April 5, 2002, as Document Number 2002-028667 in the Office of the County Recorder of said County.

TOGETHER WITH all of that real property in the County of San Luis Obispo, State of California, as described in the Certificate of Compliance recorded July 8, 2002, as Document Number 2002-055087 in the Office of the County Recorder of said County.

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RRM: N:\995\95424 Hearst Ranch\Engineering\PRODUCT\TITLE RESEARCH\Conservation Easement\Tab 2-Exhibit B-East Side Esmt

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TOGETHER WITH all of that real property in the County of San Luis Obispo, State of California, as described in the Certificate of Compliance recorded July 8, 2002, as Document Number 2002-055088 in the Office of the County Recorder of said County.

TOGETHER WITH all of that real property in the County of San Luis Obispo, State of California, as described in the Certificate of Compliance recorded July 8, 2002, as Document Number 2002-055089 in the Office of the County Recorder of sald County.

End of Junge Ranch east side description.

End of Legal Description.

2/1/05

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RRM: N:\995\95424 Hearst Ranch\Engineering\PRODUCT\TTTLE RESEARCH\Conservation Easement\Tab 2-Exhibit B-East Side Esmt

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Exhibit C to Deed of Conservation Easement and Agreement Concerning Easement Rights

EASEMENT AREA MAP

[EACH OF GRANTOR AND GRANTEE HAVE A COPY OF MAP ENTITLED "EAST SIDE CONSERVATION EASEMENT" DATED 2/11/05]

Exhibit D-1-A to Deed of Conservation Easement and Agreement Concerning Easement Rights

ELIGIBLE OWNER HOMESITE AREAS: OVERALL MAP

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "ELIGIBLE OWNER HOMESITE AREAS: OVERALL MAP" DATED 2/14/05]

Exhibit D-1-B to
Deed of Conservation Easement
and Agreement Concerning Easement Rights

ELIGIBLE OWNER HOMESITES: AREA #1 - GARCIA

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "ELIGIBLE OWNER HOMESITES: AREA #1 – GARCIA" DATED 1/13/05]

Exhibit D-1-C to Deed of Conservation Easement and Agreement Concerning Easement Rights

ELIGIBLE OWNER HOMESITES: AREA #2 - DEL CORRAL

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "ELIGIBLE OWNER HOMESITES: AREA #2 - DEL CORRAL"

DATED 1/13/05]

Exhibit D-1-D to Deed of Conservation Easement and Agreement Concerning Easement Rights

ELIGIBLE OWNER HOMESITES: AREA #3 - LAGUNA

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "ELIGIBLE OWNER HOMESITES: AREA #3 – LAGUNA" DATED 1/13/05]

Exhibit D-1-E to Deed of Conservation Easement and Agreement Concerning Easement Rights

ELIGIBLE OWNER HOMESITES: AREA #4 - MARMOLEJO

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "ELIGIBLE OWNER HOMESITES: AREA #4 - MARMOLEJO"
DATED 1/13/05]

Exhibit D-1-F to Deed of Conservation Easement and Agreement Concerning Easement Rights

ELIGIBLE OWNER HOMESITES: AREA #5 - PICO

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "ELIGIBLE OWNER HOMESITES: AREA #5 – PICO" DATED 1/13/05]

Exhibit D-2 to Deed of Conservation Easement and Agreement Concerning Easement Rights

HEADQUARTERS AREA

[EACH OF GRANTOR AND GRANTEE HAVE A COPY OF MAP ENTITLED "HEADQUARTERS AREA" DATED 1/12/05]

Exhibit D-3 to Deed of Conservation Easement and Agreement Concerning Easement Rights

PICO AREA

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "PICO AREA" DATED 1/12/05]

Exhibit D-4 to Deed of Conservation Easement and Agreement Concerning Easement Rights

RANCH EMPLOYEE HOUSING AREA

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "RANCH EMPLOYEE HOUSING AREA" DATED 2/14/05]

Exhibit D-5 to
Deed of Conservation Easement
and Agreement Concerning Easement Rights

JUNGE-OSSV EMPLOYEE HOUSING AREA

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "JUNGE-OSSV EMPLOYEE HOUSING AREA" DATED 1/12/05]

Exhibit D-6 to Deed of Conservation Easement and Agreement Concerning Easement Rights

RESERVED FARMLAND AREAS

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "RESERVED FARMLAND AREAS" DATED 2/14/05]

Exhibit D-7 to Deed of Conservation Easement and Agreement Concerning Easement Rights

STORAGE AND DISPOSAL AREAS

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "STORAGE AND DISPOSAL AREAS" DATED 2/14/05]

EXHIBIT E

INTERIM MANAGEMENT CRITERIA

Forage Utilization: Grazing on the rangeland will be adjusted to an intensity and duration that maintains enough cover to protect the soil from erosion and to maintain the quality and quantity of forage and vegetation as well as to maintain water quality. The Landowner shall not permit grazing in the rangeland in a manner that leaves at the conclusion of the grazing season less than the following:

0 to 10% slopes: an average of 2" of residual dry matter — approximately an average of 500 pounds per acre. Description: In some areas rangeland will show evidence of extensive grazing. Residual vegetation is patchy with some areas grazed to less than one inch and other areas with greater vegetation remaining. Bare ground showing evidence of pocket gopher activity may exist. Golf ball objects are clearly visible at a distance of 10 feet and mostly visible at a distance of 20 feet.

Additionally, scattered areas of perennial bunchgrass coastal prairie are concentrated on coastal terraces, within the coastal plain, with 0 to 10% slope. In these areas an average of 6" of residual dry matter — an average of approximately 1,200 pounds per acre shall remain.

11 to 30% slopes: an average of 3" of residual dry matter — approximately an average of 750 pounds per acre. Description: In some areas rangeland will typically show clear evidence of grazing. Seed stalks may be heavily utilized or trampled. Considerable ground cover and leaf litter may be present. Some bare soil will be apparent including pocket gopher activity, visible from a distance of 20 feet. Many golf ball sized objects are partially visible at a distance of 10 feet, and some may be barely visible at a distance of 20 feet.

Greater than 30% slopes: an average of 4" of residual dry matter – approximately an average of 1,000 pounds per acre. Description: In some areas rangeland may show evidence of considerable grazing use. Seed stalks may be heavily utilized. Ground cover is essentially complete. Little bare soil is apparent except for occasional pocket gopher activity and livestock/game trails. Some golf ball sized objects may be visible or only barely visible at a distance of 10 feet but seldom visible at a distance of 20 feet.

The above standards are derived from the University of California Cooperative Extension methodology for residual dry matter management on coastal and foothill annual rangelands and shall be followed for RDM determinations.

Annual RDM Measurement: If baseline conditions monitoring is insufficient or is called into question, then, the Easement Holder may conduct an annual monitoring of RDM in order to determine compliance with RDM requirements set forth in this Conservation Easement. Residual dry matter measurements should be conducted prior to the beginning of the rainy season, which is usually November 1st. Any RDM measurements, photo points, or clippings shall be consistent with the University of California Cooperative Extension established methodologies.

Exempt from this measurement and excluded from the calculations are:

- Pastures that are burned, roads, tanks and reservoir sites, and rock outcrops.
- Areas within one hundred (100) yards of watering troughs, water tanks, salt and mineral licks, supplemental feed areas, holding fields/traps, animal handling corrals, or where animals may naturally congregate due to topography or weather. To improve RDM distribution, salt blocks shall be placed 1/4 mile from accessible water sources.
- Areas of low fertility due to insufficient soil depth or quality and steep slopes regardless of grazing pressure.
- Areas with extensive tree or shrub canopy cover.
- Areas subject to periodic insect infestations such as from grasshoppers and crickets.
- Areas subject to feral pig ground damage, or other wild animal use and disturbance.

Seasonal climatic data including rainfall and distribution, drought, flooding, and high and low temperatures shall be included in the monitoring analysis. For example, during drought conditions 50% of unfavorable year production within NRCS Range Sites shall remain as residual dry matter.

In the event the parties cannot agree to a suitable adjustment of grazing, to meet RDM standards, then, the parties shall have available to them the remedies set forth in this Conservation Easement

EXHIBIT F-1

LAND USES ALLOWABLE OR CONDITIONALLY ALLOWABLE IN COASTAL AGRICULTURE ZONES

The following list identifies those Use Groups in Coastal Table "O" of the San Luis Obispo County Coastal Zone Framework for Planning, as of the Effective Date, that are allowable or conditionally allowable in either the Coastal Agriculture - Prime Soils or Coastal Agriculture - Non-Prime Soils Land Use Categories, as referenced in Section 9 of the Conservation Easement of which this **Exhibit F-1** is a part, *excluding* those uses that are categorically prohibited in the Easement Area. The definitions of the land uses encompassed within each Use Group identified below are set forth in Chapter 6, Section D (at Pages 6-39 – 6-61) of the San Luis Obispo County Coastal Zone Framework for Planning, revised August 6, 1996. Applicable Rules (as defined in Section 31 of the Conservation Easement) may limit the land uses allowable under Table "O", or set special permit requirements.

Agriculture:

Ag Accessory Structures
Ag Processing
Animal Raising and Keeping
Crop Production & Grazing
Farm Equipment & Supplies
Nursery Specialties - Soil Dependent
Nursery Specialties - Non-Soil Dependent
Specialized Animal Facilities

Communications: Communications Facilities

Cultural, Education and Recreation:
Coastal Accessways
Passive Recreation
Rural Recreation & Camping
Temporary Events

Manufacturing & Processing: Electric Generating Plants Food & Kindred Products Paving Materials Recycling Collection Stations

Residential Uses: Caretaker Residence Farm Support Quarters Home Occupations
Mobilehomes
Residential Accessory Uses
Residential Vacation Rental
Single-Family Dwellings
Temporary Dwelling

Resource Extraction:
Fisheries & Game Preserves
Forestry
Mining
Petroleum Extraction
Water Wells & Impoundments

Retail Trade: Eating & Drinking Places Outdoor Retail Sales Roadside Stands

Services: Storage, Accessory Temporary Construction Yards Waste Disposal Sites

Transient Lodgings:
Temporary Const. Trailer Park

Transportation:
Airfields & Landing Strips
Pipelines & Transmission Lines
Public Utility Facilities

Wholesale Trade: Warehousing Wholesaling and Distribution

EXHIBIT F-2

ADDITIONAL RESTRICTIONS ON USES

(Supplementing restrictions included in other parts of the Conservation Easement, including Exhibits)

Definitions of uses in this <u>Exhibit F-2</u> are those contained in San Luis Obispo County Local Coastal Plan Framework for Planning Land Use Definitions and Table "O" under the Applicable Rules (as that term is defined in Section 31).

CATEGORICALLY PROHIBITED USES

The land uses listed below, which are neither allowable nor conditionally allowable in the Coastal Zone Agriculture – Prime Soils or the Coastal Zone Agriculture – Non-Prime Soils Land Use Categories under the Applicable Rules (i.e., uses which are *not* categorized as A, S or P uses under Table "O"), are categorically prohibited everywhere in the Easement Area *unless* specifically permitted or conditionally permitted elsewhere in this Exhibit F-2. A plus ("+") appearing next to a land use in the list below signifies that related provisions are contained elsewhere in this Exhibit F-2.

- Apparel Products
- · Auto & Vehicle Repair & Service
- Auto, Mobile Home & Vehicle Dealers & Suppliers
- Broadcasting Studios
- Building Materials & Hardware
- Business Support Services
- Cemeteries & Columbarium
- Chemical Products
- Churches
- Concrete, Gypsum & Plaster Products
- Construction Contractors
- Consumer Repair Services
- Correctional Institutions
- Drive-In Theatres
- · Electrical Equipment, Electronic & Scientific Instruments
- Financial Services
- Food & Beverage Retail Sales

- Fuel & Ice Dealers
- Furniture & Fixture Products
- Furniture, Home Furnishings & Equipment
- General Merchandise
- Glass Products
- Harbors
- · Health Care Services
- Homestays
- · Hotels, Motels
- Indoor Amusements & Recreation
- · Laundries & Dry Cleaning Plants
- Libraries & Museums
- Lumber & Wood Products
- Machinery Manufacturing
- +Mail Order & Vending
- Marinas
- Marine Terminals & Piers
- · +Membership Organization Facilities
- Metal Industries, Fabricated
- · Metal Industries, Primary
- Mobile Home Parks
- Motor Vehicles & Transportation Equipment
- Multi-Family Dwellings
- Nursing & Personal Care
- · +Offices
- +Offices, Temporary
- Off-Road Vehicle Courses
- Organizational Houses
- Outdoor Sports & Recreation
- Paper Products
- Personal Services
- Petroleum Refining & Related Industries
- Plastics & Rubber Products
- Printing & Publishing
- Public Assembly & Entertainment
- Recreational Vehicle Parks
- +Recycling & Scrap
- Residential Care
- Schools Pre to Secondary
- Schools Specialized Education & Training
- Schools College & University
- Secondary Dwelling Units
- Service Stations
- +Small Scale Manufacturing
- Social Service Organizations
- Sports Assembly

- Storage Yards & Sales Lots
- Structural Clay & Pottery Related Production
- Textile Products
- Transit Stations & Terminals
- Truck Stops
- Vehicle & Freight Terminals
- Vehicle Storage

Additional Categorically Prohibited Uses

In addition to the uses listed above, the following uses otherwise allowable or conditionally allowable in the Coastal Zone Agriculture — Prime Soils or Coastal Agriculture — Non-Prime Soils Land Use categories are categorically prohibited everywhere in the Easement Area:

- Aquaculture
- Stone and Cut Stone Products
- Public Safety Facilities
- · Bed and Breakfast Facilities

Restrictions on Allowable or Conditionally Allowable Uses

All uses allowable or conditionally allowable under this **Exhibit F-2** or in the Coastal Zone Agriculture Land Use categories are subject to all applicable prohibitions and restrictions in the Conservation Easement. Grantor shall have an affirmative obligation to notify any involved regulatory agency of this Conservation Easement when seeking regulatory authorization for any such use. In addition, the following uses are subject to the additional restrictions specified below.

- Temporary Construction Yards: For authorized development on the Easement Area only.
- OSSV Support Utility Facilities: Support utility facilities to serve allowable uses at Old San Simeon Village, including, but not limited to, water treatment, storage and distribution, sewage treatment and disposal shall require Grantee's Permission.
- Airfields and Landing Strips: Uses of appurtenant areas shall be limited to airport buildings, aircraft operations and related facilities, but shall not include aircraft sales, car rental establishments, eating and drinking places, hotels and motels, restaurants, cocktail lounges, gift shops, news stands, beauty and barber shops or any other such commercial uses.
- Ag Processing: Winery allowable only for production of wine from grapes grown predominately on the Easement Area.
- · Communications Facilities: If proposed for purposes other than to support

- authorized uses on the Ranch. Grantee's Permission shall be required.
- Eating and Drinking Places: Fast food, drive-in restaurants, lunch counters and refreshment stands are categorically prohibited.
- Pipelines and Transmission Lines: If proposed for purposes other than to support authorized uses on the Ranch, Grantee's Permission shall be required.
- Electric Generating Plants: Any Electric Generating Plant shall be limited primarily to supporting authorized uses on the Ranch.

The following uses are allowable only in the Headquarters and Pico Areas (as defined in Subsection B(a)(2) of Exhibit H and shown in Exhibit D-2 and Exhibit D-3, respectively), and are subject to the following restrictions:

- Warehousing; Wholesaling & Distribution: Allowable only within structures existing on the Effective Date ("Existing Structures"). Must be related to livestock and crop production and other allowable uses on the Easement Area and subject to Subsection 3(b) for any new structure.
- Paving Materials: Limited to temporary production facilities to support authorized uses on the Ranch and the realignment and maintenance of Highway 1 in the vicinity of the Ranch.
- Nursery Specialties: Subject to cumulative site coverage limit of not more than two (2) acres on the Headquarters and Pico Areas combined.
- Recycling Collection Stations: Allowable only for the collection of recyclable materials generated on the Easement Area or in the OSSV, subject to Subsections 3 (a) and (b) of the Conservation Easement.
- Waste Disposal Sites: Allowable only for the disposal of waste generated on the Easement Area or in the OSSV, subject to Subsections 3(a) and (b) of the Conservation Easement.
- Farm Equipment and Supplies: Allowable only within Existing Structures. Must be related to livestock and crop production undertaken predominantly on the Ranch.

The following private and commercial recreational uses and facilities are allowed within the Easement Area subject to the following restrictions.

A. Recreational Uses. Hunting, shooting, fishing, nature tours, bike riding, horseback trail rides, equestrian, camping and related activities; provided, that no new permanent structures shall be developed for any such activities that are conducted on a commercial basis except for those that both satisfy the requirements of Subsections 3(a) or (b) of the Conservation Easement and which are managed by a Common Management Entity and owned by the owner of an Owner Homesite Large Parcel. The use of any motorized vehicles off roadways for recreational purposes is prohibited except in connection with, and only to the extent reasonably appropriate for, authorized

equestrian, hunting and fishing activities; *provided*, that no such use shall impair Conservation Values.

B. Recreational Facilities. Swimming pools, tennis courts, play lots, play grounds and athletic fields for private and residential uses are allowed in the Owner Homesite Improvement Areas, Headquarters or Pico Areas. Such facilities in the Headquarters or Pico Areas may be allowed only subject to Grantee's Permission, which shall be granted upon a showing that the facilities will not impair Conservation Values and will be owned by the owner of the Headquarters Area or Pico Area, respectively, and managed by a Common Management Entity; provided, that any commercial use of such facilities will be incidental to primary recreational uses provided for in Subsection A.

Limited Uses Other Than Commercial Agriculture

The following uses are categorically prohibited everywhere in the Easement Area outside of the Headquarters and Pico Areas (as defined in Subsection B(a)(2) of Exhibit H and shown in Exhibit D-2 and Exhibit D-3, respectively), but are allowable within the Headquarters and Pico Areas subject to the following specified conditions:

- Mail Order & Vending: Retail sale of products by catalog and mail order only. No vending machine distribution or supply is permitted. Allowable uses only within Existing Structures, except a maximum of one (1) new structure may be built on either the Headquarters Area or the Pico Area for the primary purpose of mail order operations only with Grantee's Permission, which shall be granted upon a showing that the use is for the sale of products produced on the Easement Area, or incidental to such products, and will not impair Conservation Values.
- Membership Organization Facilities: Allowable only within Existing Structures.
- Offices and Temporary Offices: Allowable only within Existing Structures.
 Limited to offices that are incidental and accessory to allowed principal business on the Easement Area.
- Small Scale Manufacturing: Allowable only within Existing Structures, only for the production of products predominantly produced on the Easement Area (e.g., furniture from downed wood).

Exhibit G to Deed of Conservation Easement and Agreement Concerning Easement Rights

CASTLE VANTAGE POINTS

[EACH OF GRANTOR AND GRANTEE HAS A COPY OF MAP ENTITLED "CASTLE VANTAGE POINTS"

DATED 7/2/04]

NEW OWNER HOMESITE AND SUBDIVISION CRITERIA

A. New Owner Homesite Criteria:

Each "Owner Homesite" will consist of a five (5)-acre residential building envelope ("Homesite Improvement Area") and an additional twenty (20)-acre area for Owner Homesite private agricultural and recreational uses ("Homesite Buffer Area"). The development rights retained for each Owner Homesite shall include the right to implement any utility infrastructure within the Easement Area necessary or required for the Owner Homesite by the County or any other regulatory agency, subject to the restriction that such utility infrastructure shall comply with Subsection 3(a) of the Conservation Easement of which this Exhibit H is a part. Grantor retains the right to build one single family residence and accessory structures and facilities within each five (5)-acre Homesite Improvement Area, provided that all such structures and facilities shall comply with all requirements and limitations under this Conservation Easement. Grantor retains the right to build agricultural accessory structures and facilities ("Agriculturally-related Structures") within each Homesite Buffer Area supporting private uses separate from the Authorized Common Ranch Operations, provided that all such uses, structures and facilities shall comply with all requirements and limitations under this Conservation Easement. Structures and facilities other than Agriculturally-related Structures, including but not limited to recreational structures and facilities such as swimming pools, tennis courts, play lots, play grounds and athletic fields, but excluding utility infrastructure serving an Owner Homesite, are prohibited within any Homesite Buffer Area. All of the Homesite Improvement Areas shall be treated in the aggregate as a separate zone within the Easement Area, subject to the criteria set forth herein. All of the Homesite Buffer Areas shall be treated in the aggregate as a separate zone within the Easement Area, subject to the criteria set forth herein. Any additional acreage within an Owner Homesite Parcel (as defined below in Subsection B(a)(1) of this Exhibit) that is outside the twenty-five (25)-acre Owner Homesite shall be included within the Management Plan for, and managed as part of, the Common Management Program applicable to the adjacent Owner Homesite Large Parcel. as provided for in Subsection 6(c) of the Conservation Easement, and shall be subject to the applicable provisions of the Conservation Easement.

(1) Eligible Owner Homesite Locations. The Owner Homesites and Homesite Improvement Areas within the five (5) Owner Homesite Areas identified on the Owner Homesites Maps attached as Exhibits D-1-A through D-1-F (collectively the "Eligible Owner Homesites") have been determined by mutual agreement of Grantor and Grantee to be sited so as to not impair Conservation Values. Grantor has the right to build on these Eligible

Owner Homesites without further approval from Grantee for the site locations and boundaries; provided, placement and design of structures within the Homesite Improvement Areas shall meet the Siting Guidelines provided below in Subsection (A) 3. As used herein, a "Grantee Approved Owner Homesite" shall be an Eligible Owner Homesite, a Modified Owner Homesite, as defined in Subsection A (2) below, an Owner Homesite approved by Grantee on a Fallback Parcel pursuant to Subsection B (a)(1)(B), or an Owner Homesite approved by Grantee on an Owner Homesite Large Parcel pursuant to Subsection B (a)(1)(C) below.

Grantee to modify the boundaries of, or identify an alternative to, any twenty-five (25)-acre Owner Homesite or five (5)-acre Homesite Improvement Area within an Owner Homesite Area shown on Exhibits D-1-A through D-1-F ("Modified Owner Homesite"); provided, any such Modified Owner Homesite must meet the Siting Guidelines in Subsection A (3) below. Any Modified Owner Homesite proposed by Grantor shall require approval by the Grantee (which approval shall not be unreasonably withheld, delayed or conditioned) based upon the Grantee's determination that such Modified Owner Homesite will not impair Conservation Values, and complies with the Siting Guidelines provided in Subsection A (3) below.

(3) Siting Guidelines.

(A) Resource Protection: Each Owner Homesite shall be within one of the five (5) Owner Homesite Areas identified on Exhibits D-1-A through D-1-F, and must provide a level of resource protection (including without limitation ecological, viewshed and other resource protection) comparable to that provided by the Eligible Owner Homesites shown on Exhibits D-1-A through D-1-F, as reasonably determined by the Grantee.

(B) Access: Each Owner Homesite Area must be accessible by already existing and/or historically used roads located and documented in the Baseline Conditions Report, with necessary road improvements, realignments or minor extensions allowed in accordance with regulatory agency review and permitting requirements pursuant to Section 8 of the Conservation Easement, and with new roads only as necessary to access internally the Owner Homesites within each Owner Homesite Area (allowing paving to Owner Homesite Areas and to each Owner Homesite).

(C) Sensitive Areas: Each Owner Homesite must recognize and address significant sensitive areas so that Homesite Improvement Area uses and facilities do not impair Conservation Values.

Viewshed Criteria: Each Owner Homesite (D) must be located to accommodate buildings and structures that can be sited to meet the following viewshed criteria from the Castle Vantage Points as shown on Exhibit G, the alignment of State Highway 1 as it exists at the time of the creation of the Owner Homesite Parcel or the approval by Grantee of a Grantee Approved Owner Homesite, whichever is later (collectively, the "Protected Views"): 1) all residential, agricultural and accessory buildings and structures shall be "Screened" (as defined below) by existing topography if within one (1) mile line of sight from any of the Protected Views; 2) all residential, agricultural and accessory buildings and structures shall be Screened by existing topography, existing vegetation, and/or "Landscaping" (as defined below) if within one to five (1 to 5) miles line of sight from any of the Protected Views. Grantor shall maintain all vegetative screening required by these provisions, and replace by Landscaping (as defined below) any vegetative screening that becomes ineffective, regardless of the cause. Any structures farther than five (5) miles line of sight from all of the Protected Views are considered to be very distant views and will not need to be Screened, unless screening is necessary to avoid "Skylining" (defined as any portion of the new building or structure extending above a ridgeline or other geological feature so that its profile is visible against the horizon from any of the Protected Views), in which event the structure must be Screened by Landscaping (as defined below) to avoid Skylining. Incidental Ranch Facilities allowed to be located in the Owner Homesites are not subject to these Viewshed Criteria so long as they comply with Subsection 3(a) of this Conservation Easement; except, that, within each Owner Homesite, the Viewshed Criteria shall apply to any Incidental Ranch Facility that is (i) an enclosed building or structure with an aggregate floor size equal to or greater than 800 square feet and/or (ii) a building or structure constructed with reflective colors or materials. The following definitions shall apply:

- (i) Screened: For purposes of Viewshed Criteria, "Screened" shall mean not visible from any of the Protected Views, except for *de minimus* visibility. Distance from the Protected Views is to be considered as a factor in determining whether visibility is *de minimus*.
- (ii) Landscaping: Any new landscaping used to provide required screening shall consist of native and/or existing types of vegetation and, within five (5) years from construction, must be of sufficient size and density to meet the screening criteria defined above ("Landscaping").
- (iii) Design: Design and materials of buildings and structures shall comply with the Applicable Rules (as defined in Section 31 of the Conservation Easement). When Landscaping is used to achieve required screening, esthetically compatible, non-reflective materials and finishes also shall be used

for any portions of buildings or structures that will be visible from any of the Protected Views until such building and structure portions are Screened by the Landscaping.

(E) Illumination: Lighting shall be kept at levels reasonably appropriate for the purpose of the illumination, comply with all applicable laws, codes and regulations, and be designed and implemented to minimize light visible from the Protected Views and to not impair Conservation Values.

- (F) Additional Criteria for Building Sites within Homesite Improvement Areas:
 - (i) Building sites shall be located on slopes less than 30%.
 - (ii) Building sites shall be located more than 100-feet from the top of any stream bank.
 - (iii) Building sites shall be located at least 100 feet from any "Wetland Areas", defined as areas that are inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions (including swamps, marshes, bogs, vernal pools and similar areas).
 - (iv) Building sites shall be located so as to not impair oak woodland areas.
 - (v) Building sites shall be located so as to not impair sensitive habitat areas or cultural and archeological resources.
- (4) Allowable Uses within Owner Homesites. Structures and facilities allowable within each five (5) acre Homesite Improvement Area are limited to one (1) single family residence and accessory structures and facilities allowed under the Applicable Rules (as defined in Section 31) and any further restrictions in the Conservation Easement ("Homesite Facilities"). In each twenty (20)-acre Homesite Buffer Area, Agriculturally-related Structures supporting private uses separate from the common ranch operation are allowed, subject to all applicable requirements of the Conservation Easement, including being subject to the Common Management Plan prepared pursuant to Subsection 6(c) and the criteria for non-residential structures and facilities in Subsections 3(a) and (b) of the Conservation Easement. In addition to the restrictions and requirements set forth herein, the Owner Homesite allowable uses and development shall comply with the Applicable Rules.

B. Subdivision Criteria:

Except as provided in this **Exhibit H**, Grantor shall not separately sell, transfer or subdivide (by legal or any other process) any portion of the Easement Area, including existing parcels for which certificates of compliance have been issued, separate from the balance of the Easement Area (collectively referred to herein as "Divide" or "Division").

- (a) <u>Allowable Divisions</u>. Grantor retains the right to the following Divisions:
- (1) <u>Twenty-seven (27) Owner Homesite Parcels.</u> Grantor retains the right to twenty-seven (27) Owner Homesite Parcels. An "Owner Homesite Parcel" is defined as a Clustered Owner Homesite Parcel, a Fallback Owner Homesite Parcel or an Owner Homesite Large Parcel as these terms are defined below. There shall be no more than a combined total of twenty-five (25) Clustered Owner Homesite Parcels and/or Fallback Owner Homesite Parcels. There shall be no more than two (2) Owner Homesite Large Parcels.
- (A) Twenty-five (25) Clustered Owner Homesite Parcels. Grantor will use good faith efforts to obtain approvals for creation of a Division or Divisions of twenty-five (25) parcels with the Owner Homesite portion of each parcel to be located wholly within one of the five (5) Owner Homesite Areas shown on Exhibits D-1-A through D-1-F ("Clustered Owner Homesite Parcels"). Applications for Division creating Clustered Owner Homesite Parcels may be phased in the sole discretion of Grantor and may use any combination of Grantee Approved Owner Homesites. Grantor and Grantee acknowledge that Divisions to create Clustered Owner Homesite Parcels may not be allowed under the Applicable Rules. Grantor retains the right to seek approval of lot sizes less than the minimum lot size of three hundred twenty (320) acres for grazing land under the Applicable Rules in the County's Agriculture land use category. To accommodate a Division with parcels less than the current minimum lot size, an amendment to the current zoning and certified Local Coastal Plan, approved by both the County of San Luis Obispo and the California Coastal Commission, may be required in addition to subdivision and coastal development permit approval.
- (B) <u>Fallback Alternative to Clustered Owner</u>
 <u>Homesite Parcels</u>. Grantor and Grantee acknowledge that obtaining regulatory approvals of applications for a Division creating Clustered Owner Homesite Parcels may take one or more years, and that such approvals are discretionary in nature and may be denied, unreasonably delayed or unreasonably conditioned (collectively referred to herein as a "Denial"), even if Grantor engages in good faith efforts. As a fallback right, Grantor shall have the right to a Division for the purpose of creating a "Fallback Owner Homesite Parcel" for each Clustered Owner Homesite Parcel authorized in Subsection B(a)(1)(A) of this Exhibit. If Grantor elects to exercise such right, any Fallback Owner Homesite Parcel so

created shall be utilized by Grantor solely to accommodate an alternative Owner Homesite for each Clustered Owner Homesite Parcel for which there has been a Denial, in accordance with the Applicable Rules and the following further restrictions (the "Fallback Right"). With respect to each of the five (5) preapproved Owner Homesite Areas, a Fallback Right will be triggered only upon Denial of two or more Clustered Owner Homesite Parcels for which Grantor has applied for regulatory approval or approvals within that Owner Homesite Area. The Denial of regulatory approval or approvals of more than one Clustered Owner Homesite Parcel within an Owner Homesite Area shall trigger one Fallback Right for each Denial other than the first Clustered Owner Homesite Parcel applied for but Denied. As an example, if Grantor applied for a Division to create five (5) parcels with Grantee Approved Owner Homesites within an Owner Homesite Area shown on Exhibits D-1-A through D-1-F, and three (3) parcels are approved and two (2) are Denied, one (1) Fallback Right would be triggered. If all five (5) were denied, four (4) Fallback Rights would be triggered. If the approval of a Grantee Approved Owner Homesite is conditioned on a de minimus reconfiguring of the boundary (but not a reduction in the size) of the Grantee Approved Owner Homesite or Clustered Owner Homesite Parcel, such conditioning shall not be deemed a Denial that triggers a Fallback Right. "De minimus" reconfiguration shall not include complete relocation of a Grantee Approved Owner Homesite Improvement Area. Grantor shall promptly notify Grantee, and provide supporting documentation, of each asserted Denial. In the event that Grantor is claiming a Fallback Right on the basis of an asserted Denial, Grantor shall so notify Grantee not later than ninety (90) days prior to exercising the Fallback Right. Under the Fallback Right, a Grantee Approved Owner Homesite may be located on any existing or future legal parcel; provided Grantor shall comply with the Siting Guidelines for locating Owner Homesites on such existing or future parcels with the exceptions that: i) there will be no obligation to cluster or otherwise locate the Owner Homesite within any of the Owner Homesite Areas; and ii) the Viewshed Criteria otherwise applicable within one mile line of sight from the alignment of State Highway 1 shall be applicable only within one-half (1/2) mile line of sight distance from the alignment of State Highway 1, and the Viewshed Criteria otherwise applicable from one to five (1 to miles line of sight from the alignment of State Highway 1 shall be applicable from ½ mile line of sight distance to 5 miles line of sight from the alignment of State Highway 1. The modified Viewshed Criteria applicable to a Fallback Owner Homesite Parcel shall be applied in relation to the alignment of State Highway 1 existing at the time of approval of each Grantee Approved Owner Homesite.

(C) Two (2) Owner Homesite Large Parcels. The balance of the Easement Area, excluding the Headquarters, Pico, and Junge-OSSV Employee Housing Areas, each as defined below, may be Divided into two additional parcels (each an "Owner Homesite Large Parcel"). With respect to each Owner Homesite Large Parcel Grantor retains a right to one (1) Grantee Approved Owner Homesites (two (2) Grantee Approved Owner Homesites total). Grantor shall comply with the Siting Guidelines, with the exception that the

Grantee Approved Owner Homesite on each Owner Homesite Large Parcel is not required to be clustered nor otherwise required to be located within an Owner Homesite Area.

- (2) <u>Headquarters and Pico Areas</u>: In addition to the twenty-seven (27) Owner Homesite Parcels, Grantor retains the right to a Division creating a 1500-acre parcel ("Headquarters Area") and a 100 acre parcel ("Pico Area") in the locations shown on **Exhibits D-2** and **D-3**. With respect to the Headquarters and Pico Areas, Grantor retains the rights to maintain existing facilities and to add additional facilities as allowed pursuant to this Conservation Easement. Adjustment of the pre-approved boundaries for the Headquarters and Pico Areas shown on **Exhibits D-2** and **D-3** is allowed only: 1) in response to Denial of an application for a Division utilizing the pre-approved boundaries; or 2) if a Grantee Approved Owner Homesite encroaches into the Pico Area or Headquarters Area, the size of the Headquarters or Pico Area may be reduced to eliminate the encroachment.
- (3) <u>Junge-OSSV Employee Housing Area</u>. If OSSV housing is required to be provided at the Junge-OSSV Employee Housing Area pursuant to Subsection 3(e) of the Conservation Easement, Grantor shall have the right to create a separate parcel for the Junge-OSSV Employee Housing Area shown on **Exhibit D-5**. Adjustment of the pre-approved boundary for the Junge-OSSV Employee Housing Area shown on **Exhibit D-5** shall be allowed only in response to Denial of an application for a Division utilizing the pre-approved boundaries.
- (4) Grantor shall have the right to one or more Divisions as necessary to fulfill Grantor's obligations under the Agreement and Irrevocable Offer to Dedicate by and between Grantor and the State of California Department of Transportation recorded as Document No. 205013393 in the Official Records of San Luis Obispo County.
- (b) Methods for Creating Divisions. Grantor retains the right to utilize any method allowed pursuant to the Subdivision Map Act (Government Code §§ 66410 et seq.) or local regulation adopted pursuant to the Subdivision Map Act, including, but not limited to, lot line adjustment or subdivision processes, or a combination of these processes, and to utilize existing parcels, to create any Division authorized herein.
- (c) Merger of Certificate of Compliance Parcels. Upon each issuance of a building permit for an Owner Homesite single family residence on an Owner Homesite Parcel, Grantor shall retire eight (8) existing certificate of compliance parcels, in an order determined by Grantor. Upon creation of the Headquarters and Pico Area parcels, Grantor shall retire thirteen (13) existing certificate of compliance parcels for each parcel created in an order determined by Grantor. Any existing certificate of compliance parcel merged or otherwise retired prior to issuance of a building permit as part of processing a Division shall

count toward the number of certificate of compliance parcels otherwise required to be retired pursuant to this subsection after issuance of the building permit. After the Headquarters and Pico Area, and all twenty-seven (27) Owner Homesite Parcels are created and building permits issued for all Owner Homesite single family residences, Grantor shall retire all other remaining certificate of compliance parcels, so that the Easement Area shall contain only the twenty-seven (27) Owner Homesite Parcels and the Headquarters Parcel, Pico Area Parcel and, if created, the Junge-OSSV Employee Housing Area Parcel.

EXHIBIT I

CRT AUDIT POLICY AND PROCEDURES FOR THE HEARST RANCH CONSERVATION PROJECT

- A. PURPOSES: CRT's audit policy and procedures are intended to reinforce CRT's effective stewardship in its rangeland conservation program and to assure accountability to the public and private entities that provide funding in support of that program.
- B. AUDIT COMMITTEE: The membership of the Audit Committee will be as follows:
 - A CRT Director For those projects where the selected director owns or leases the subject property, or has been part of the monitoring group for the properties selected, an alternative director will be selected.
 - 2. Secretary for the Resources Agency, Under Secretary for the Resources Agency,
 Deputy Secretary for the Resources Agency, or, in the case of a project funded by
 the Wildlife Conservation Board, the Executive Director of that Board.
 - 3. Certified Range Manager chosen by the President of the Cal-Pacific section of the Society for Range Management.

4. Landowner.

Each year the Audit Committee members shall select a member to serve as the chairperson of the Audit Committee.

- C. SELECTION OF AUDITORS: The Audit Committee will select each auditor engaged by CRT to conduct an audit of one or more of CRT's conservation easement projects. Each such selection shall be made by consensus. This requirement for consensus is adopted in recognition of the common interest of the committee members in ensuring a reliable and credible audit process, and with the expectation that the members will work cooperatively towards that end. Each auditor must have the education and professional experience qualifications required by the California Section of the Society for Range Management in its Program for Certification of Professional Rangeland Manager (set forth in the Attachment), A Certified Rangeland Manager (certified by and a member in good standing of the Cal-Pacific Section of the Society for Range Management) may be deemed by the Audit Committee to satisfy those requirements. In the event that natural resources in addition to rangeland resources are protected under a particular conservation project (such as when the project is serving a mitigation function by the protection of particular species and their associated habitat, or the easement area includes a substantial component of non-grazing land), the Audit Committee shall take such additional natural resources into account in determining the education and professional experience requirements appropriate for the auditor who will address such additional natural resources. When reasonably necessary to assure a comprehensive audit, the Audit Committee may select more than one auditor for a project; however, in that event the Audit Committee shall carefully define the respective scopes of work for each auditor selected so as to avoid overlap in the audit services (and the unnecessary expenses associated therewith). To avoid potential conflicts of interest, no person shall be selected to provide audit services while serving on the Audit Committee.
- D. ENGAGEMENT OF AUDITORS: Each auditor selected to conduct audit services for CRT shall be required to enter into a standard form of professional services contract that has been

preapproved by the Board of Directors of CRT as a condition of engagement for the proposed audit services, which contract shall set a "not to exceed" limit on compensation for the audit services and shall contain such other appropriate terms and conditions as the Board of Directors shall approve for the audit process. If a selected auditor declines to enter into such contract, the Audit Committee shall select another auditor.

- E. AUDIT ELEMENTS: For each audit, the scope of services will include:
 - 1. The auditor's review of the conservation easement language and CRT's monitoring protocol for the project to identify monitoring requirements.
 - 2. The auditor's review of the baseline report and management plan(s) to analyze any changes identified in the monitoring process.
 - 3. The auditor's review for completeness of the record of monitoring activities prepared by CRT since the last audit of the conservation easement project, including monitoring reports and such additional records as may be included in the file to document resolution of any easement compliance issues.
 - The auditor's on-site verification of a representative sample of monitoring report elements.
 - 5. The auditor's written report of findings with respect to Items 2 and 3, above, and recommendations, if any, for follow-up action.

A CRT staff person or director familiar with the conservation easement project will accompany the Auditor during the property visit, and the landowner will be encouraged to participate. CRT's annual monitoring visit for a project shall be coordinated with the audit schedule for that project, to minimize CRT's expenses and the burden on the landowner.

- F. FREQUENCY OF AUDITS: Each conservation easement project shall be audited not less frequently than once every five years. The Board of Directors may approve a more frequent audit schedule for a particular project upon the recommendation of the Audit Committee if extraordinary circumstances indicate the need for such additional action.
- G. AUDIT COMMITTEE REVIEW: The Audit Committee shall review each audit report for completeness and direct any necessary follow-up action by the auditor in accordance with the professional services agreement. The Audit Committee, acting by consensus, may decide that inspection by the audit Committee of the subject easement property is appropriate to adequately inform the Audit Committee's review of one or more elements of the audit report. The scope of any such inspection will be limited to assessing the conditions of the conservation values being protected under the subject conservation easement project. The auditor for the project will be involved or not in any such inspection at the discretion of the Audit Committee. The requirement for consensus of the Audit Committee in these processes is adopted in recognition of the common interest of the committee members in ensuring a reliable and credible audit process, and with the expectation that the members will work cooperatively towards that end. Once the Audit Committee has determined an audit report to be complete, it shall present to the Board of Directors with respect to that report: (1) the Audit Committee's written finding of completeness; and (2) the Audit Committee's recommendations, if any, for follow-up action to address any monitoring or enforcement shortcomings identified in the report. The submitted report shall be approved by a majority of the members; any member may submit a separate statement with

respect to the report expressing that member's personal opinions.

- H. ANNUAL AUDIT BUDGETING: Upon determining the audits needed to be performed in a particular calendar year, the Audit Committee shall prepare and present for approval by the Board of Directors a proposed budget for such audit activities. The Board shall act on such budget proposal at its first regularly scheduled meeting following the submittal of such budget. No auditor shall be engaged prior the Board's approval of the annual audit budget.
- I. CONFIDENTIALITY OF AUDIT RECORDS: Each audit report and all written records of the deliberations of the Audit Committee shall be treated as confidential business records and shall not be circulated to anyone other than current members of the Audit Committee, the CRT management and staff, and the Board of Directors, except pursuant to authorization for further distribution by the Board of Directors.

Attachment to CRT Audit Policy and Procedures for Hearst Ranch Conservation Project

California Section, Society for Range Management Program for Certification of Professional Rangeland Managers (Approved by Board of Directors, June 3, 2004)

The California Section of the Society for Range Management (CA-SRM) seeks to promote and strengthen professional standards in all activities devoted to rangeland resources. The CA-SRM's professional certification program is designed to evaluate the education and professional experience of rangeland managers.

A professional rangeland manager applies scientific principles to the art and science of managing rangelands and range. Rangelands are lands supporting grass, shrub, and savanna vegetation types. Range is land grazed by livestock. This program of certification is a service provided by the CA-SRM as a means for demonstrating the special expertise required to practice as a professional rangeland manager.

Certification constitutes recognition by the CA-SRM that, to its best knowledge, an applicant meets minimum educational, experience, and ethical standards adopted by the CA-SRM for professional rangeland managers. This program serves the unique needs for certification of professional rangeland managers in California and is not intended to compete with the Society for Range Management's certification of Range Management Consultants.

I. Purpose:

Establish minimum standards for professional rangeland managers and provide a process for rangeland managers to demonstrate professional competency.

II. Certification categories:

Certificates will be issued in two categories.

- A. A Certified Rangeland Manager (CRM) meets the educational and experience requirements.
- B. An Associate Rangeland Manager (ARM) meets the educational requirements. This category is intended as a preliminary step towards full certification.

III. Requirements for eligibility:

Evidence of eligibility will be furnished by the applicant as a completed application form and pertinent supporting documents. The Certification Panel may, at its discretion, request additional supporting information. Certification does not constitute a guarantee by CA-SRM that the applicant meets any certain standard of competence or possesses any specific knowledge.

Requirements for certification, periodic renewal, and decertification may be changed upon majority vote of the Board of Directors, CA-SRM.

A. Education:

- Completion of a course of study in a college or university leading to a bachelor's or higher degree.
- A degree in range management or completion of coursework including the following topics: rangeland ecology, rangeland plant physiology, rangeland animal management, rangeland policy and planning, and rangeland measurements.
- Other combinations of education and experience may, at the discretion of the Certification Committee, be accepted as equivalent to requirements 1 and 2, above.

 Completion of minimum educational requirements permit application for associate status.

B. Experience:

- Five years (60 months full-time equivalent) of qualifying professional experience.
- Qualifying experience begins after completion of minimum educational requirements.
- 3. All qualifying experience must be directly related to range and/or rangeland management and include demonstration of the application of rangeland management principles. Experience in a California rangeland type is required.
- 4. Qualifying experience is defined as those activities demonstrating professional competence in the science, art, and practice of managing and using for human benefit the natural resources that occur on and in association with rangeland and range, and more particularly classified
 - (a) rangeland vegetation management, which includes the management of vegetation composition and productivity, animal habitat, revegetation, and the control of undesirable plants.
 - (b) rangeland animal management, which includes the management of wild and domestic herbivores, including development of grazing systems, and practices for managing and controlling livestock on range.
 - (c) rangeland ecology, which includes the protection of natural vegetation, ecosystem restoration and rehabilitation, and research into ecosystem and landscape processes.
 - (d) rangeland policy and planning, which includes the development of rangeland and range management plans, and analysis and interpretation of laws and policies pertaining to rangeland and range management.
 - (e) rangeland measurements, which includes rangeland resource assessment and analysis of range condition.
 - (f) an understanding of economics as it relates to sustainable rangeland productivity.
- Education toward a higher degree may be substituted for up to 2 years (24 months) of experience.

C. References:

 Three letters of reference by professional rangeland managers attesting to the applicant's qualifications. At least one letter must be from a Certified Rangeland Manager.

D. Ethical and Continuing Education requirements:

 All applicants must pledge to conduct their activities in accordance with the Code of Ethics of the Society for Range Management, quoted below.

"Each member will:

1. foster an environment where all people are encouraged to participate in

the Society and management and enjoyment of rangelands;

ii. use her/his knowledge, skills, and training when appropriate to find ways to harmonize people's needs, demands, and actions with the maintenance and enhancement of natural and managed rangeland ecosystems;

lii. promote competence in the field of range management by supporting high standards of education, employment, and performance;

iv. manage or perform services consistent with the highest standards of quality, integrity, and with respect for the rangeland plant and animal resources, the employer, and the public; soil, water, air;

the employer, and the public; soil, water, air;

v. disseminate information to promote understanding of, and appreciation for, values of rangelands to those with a direct involvement in range management, and to the general public as well;

vi. offer professional advice only on those rangeland issues in which they are informed and qualified through professional training and experience;

vii. in any communication, give full and proper credit to, and avoid misinterpretation of, the work, ideas, and achievements of others; and viii. encourage the use of sound biological information in management decisions."

- 2. The CRM learns about new developments in rangeland science and management through participation in professional society and continuing education activities. The Fanel on Certification shall request CRM's to document activities related to continuing education and maintaining currency in the professional discipline.
- E. Examination: Each applicant for CRM will be required to pass an examination to be conducted by the Certification Panel.

IV. Certification panel:

The certification panel shall be comprised of at least six licensed CRM's, chosen to represent a broad cross-section of employment, expertise, and interests. The panel shall determine the eligibility of all applicants and shall have authority to confer and renew certification as professional rangeland manager. The panel will have authority to review allegations of misconduct and take appropriate actions, including decertification.

Members of the panel will be appointed to staggered three-year terms by the Board of Directors of the CA-3RM.

V. Schedule of Fees:

- A. Application fees shall be:
 - Certified rangeland manager: \$50.00 for members of the California Section, \$100.00 for non-members.
 - Associate rangeland manager: \$25.00 for members of the California Section, \$50.00 for non-members. Application fee for change of status from ARM to CRM: \$25.00 for Section member, \$50.00 for non-member.
- B. Fee schedules are subject to change by recommendation of the Panel on Certification and approval of the Section Board of Directors.

VI. Appeals:

Appeals of certification denial may be made through the Panel on Certification for review by the Section Board of Directors. The Board may review actions by the panel upon request from any applicant for certification.

VII. Violations of professional standards:

A. A charge of misconduct against an Associate or Certified Rangeland Manager may

be filed by transmitting to any member of the Panel on Certification a sealed statement of the charge. Such a statement must be accompanied by an affidavit of the complainant setting forth the allegations on which the charge is based, including dates, and the specific conduct involved. Copies of the charge, affidavit, and supporting documentation shall be transmitted to the members of the Panel on Certification. The Panel shall review the charge and within 20 days of receipt of the charges determine, by majority vote if necessary, if further inquiry is warranted.

- B. If the panel determines that further inquiry is warranted, the Chair of the Certification Panel shall notify the ARM or CRM of the specific charge by forwarding copies of the charge, affidavit, and all supporting documentation and request a written response from the ARM/CRM be filed with the Certification Panel within 30 days.
- C. Upon receipt of the ARM or CRM's response the Panel on Certification shall review the evidence and make a recommendation. The recommendation will be forwarded to the Board of Directors of the California Section of the Society for Range Management who will then make a final decision.
- D. Failure to respond to a complaint without written explanation shall be deemed admission of misconduct.
- E. Appeals of decisions may be made within 30 days of notification of action by notifying the Chair of Panel on Certification. Upon appeal the complainant and the ARM/CRM will be permitted to supply any additional information in support of the action. These materials will be reviewed by the Panel on Certification which will again make a recommendation to the Board of Directors. The Board will reconsider the evidence and, on an appeal, the complainants and the ARM/CRM will have the right to appear in person before the Board of Directors. The Board of Directors will then issue a final ruling.
- F. Disciplinary actions that may be taken by the Board of Directors, upon recommendation from the Panel on Certification against a ARM or CRM found incompetent or in violation of the code of ethics, include censure, suspension of certification for a specified time, or revocation of certification.