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**FENNEMORE CRAIG**  
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2003 APR 30 P 4: 18

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**PATRICK J. BLACK**  
Direct Phone: (602) 916-5400  
Direct Fax: (602) 916-5600  
pblack@fclaw.com

**AZ CORP COMMISSION  
DOCUMENT CONTROL**

OFFICES IN:  
PHOENIX, TUCSON,  
NOGALES, AZ; LINCOLN, NE  
3003 NORTH CENTRAL AVENUE  
SUITE 2600  
PHOENIX, ARIZONA 85012-2913  
PHONE: (602) 916-5000  
FAX: (602) 916-5999

April 30, 2003

Arizona Corporation Commission  
**DOCKETED**

APR 30 2003

David Ronald, Esq.  
Legal Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

DOCKETED BY	
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Re: Seven Canyons Water Company - Application for an Extension of its Certificate of Convenience and Necessity (CC&N), Docket No. W-03388A-03-0150 and Seven Canyons Water Treatment Company - Application for an Extension of its Certificate of Convenience and Necessity (CC&N), Docket No. SW-03389A-03-0150

Dear Mr. Ronald:

Enclosed please find a copy of the Forest Service Easement recently requested by Dorothy Hains in the above referenced matter. As you are aware, Fennemore Craig represents Seven Canyons Water Company and Seven Canyons Water Treatment Company (collectively "Seven Canyons") in their application to extend their respective CC&Ns in certain portions of Yavapai County.

Seven Canyons will endeavor to continue providing pertinent information requested by the Commission in an effort to conclude this matter in a timely manner. However, Commission Staff should direct any further requests for information or documentation directly to myself or Tim Berg. I understand that Ms. Hains has already scheduled an on-site visit for May 5, 2003, in order to more fully understand the water and wastewater systems at Seven Canyons.

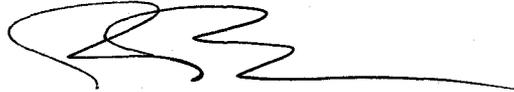
Although this application is still in the process of sufficiency review, Seven Canyons would like to work cooperatively with Staff so that once sufficiency is established, the application can be processed in a timely manner. To that end, Steve Wedwick from GTA Engineering will accompany Ms. Hains on her on-site visit to answer any technical or engineering questions she might have.

# FENNEMORE CRAIG

David Ronald, Esq.  
April 30, 2003  
Page 2

Thank you for your cooperation in this matter. Should you have any questions, please do not hesitate to call.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Patrick J. Black', with a long horizontal flourish extending to the right.

Patrick J. Black

enclosure

cc: Dennis Cain, Cavan Real Estate Investments  
Allison Macaulay, Sedona Development Partners  
Docket Control

THIS IS A CONFORMED COPY OF INSTRUMENT  
RECORDED ON DATE 4-9-03 TIME 12:19  
IN BOOK 4019 PAGE 210  
PATSY JENNEY-COLON, RECORDER  
Patsy Jenney-Colon DEPUTY

Authorization ID: RED0017  
Contact ID: SCRA  
Expiration Date: 12/31/2013  
Use Code: 752

FS-2700-9j (8/99)  
OMB No. 0596-0082

**U. S. DEPARTMENT OF AGRICULTURE**  
**Forest Service**  
**PRIVATE ROAD EASEMENT**  
**AUTHORITY:**  
**FEDERAL LAND POLICY AND MGMT ACT, AS AMENDED October 21, 1976**

THIS EASEMENT, dated this 7th day of April, 2003, from the United States of America, acting by and through the Forest Service, Department of Agriculture, hereinafter called Grantor, to Seven Canyons Road Association a nonprofit corporation of the State of ARIZONA hereinafter called Grantee.

**WITNESSETH:**

WHEREAS, Grantee has applied for a grant of an easement under the Act of October 21, 1976 (90 Stat. 2743; 43 U.S.C. 1761), for a road over certain lands or assignable easements owned by the United States in the County of Yavapai, State of Arizona, and administered by the Forest Service, Department of Agriculture.

NOW THEREFORE, Grantor, for and in consideration of the payment of an annual use fee paid by Grantee does hereby grant to Grantee, subject to existing easements and valid rights, a nonexclusive easement for use of a road, along and across a strip of land, over and across the following described lands in the County of Yavapai, State of Arizona, NE1/4 Sec. 27, T. 18 N., R. 5 E., GILA AND SALT RIVER.

Said premises are more specifically described by a centerline description contained in exhibit A attached hereto.

Said easement shall be 25 feet on each side of the centerline with such additional width as required for accommodation and protection of cuts and fills. If the road is located substantially as described herein, the centerline of said road as constructed is hereby deemed accepted by Grantor and Grantee as the true centerline of the easement granted.

This grant is made subject to the following terms, provisions, and conditions applicable to Grantee, its holders, contractors, assignees, and successors in interest.

A. Grantee shall comply with applicable Federal or State law and shall comply with State standards for public health and safety, environmental protection, and siting, construction, operation, and maintenance of or for rights-of-way for similar purposes, if those standards are more stringent than applicable Federal standards.

B. The rights herein conveyed do not include the right to use the road for access to developments for short- or long-term residential purposes, unless and until the Grantor and the Grantee agree upon traffic control regulations, rules, and other provisions to accommodate such use of the road.

C. Upon change in ownership of the land or facility served by this road, the rights granted under this easement may be transferred to the new owner upon written notification to the Regional Forester.

D. This easement shall expire on 12/31/2013. At that time, if the Grantee still needs the road for: access to inholding of private land, the easement will be reissued for a period of 10 years (or the estimated remaining life of the project, whichever is less). At the time of reissuance, the terms and conditions of the easement may be modified and new conditions or stipulations added at the discretion of the Forest Service.

E. All construction or reconstruction of the road shall be in accordance with plans, specifications, and written stipulations approved by the Grantor prior to beginning such construction or reconstruction.

F. Grantee shall have the right to cut timber upon the easement area to the extent necessary for maintaining the road. Timber so cut shall, unless otherwise agreed to, be cut into standard log lengths or other products as specified by the authorized officer and decked along the road for disposal by the owner of such timber.

G. The Grantee shall maintain the right-of-way clearing by means of chemicals only after the Grantor has given specific written approval. Application for such approval must be in writing and must specify the time, method, chemicals, and the exact portion of the right-of-way to be chemically treated.

H. The Grantee shall provide maintenance so that there is no damage on adjacent National Forest land. The Grantee shall construct and maintain lead-off drainage and water barriers as necessary to prevent erosion.

I. Grantee shall pay annually in advance a sum determined by the Forest Service to be the fair market value of the use authorized by this easement. The initial payment is set at \$n/a for the remainder of the calendar year. Payments for each subsequent calendar year shall be the amount of \$57.71 adjusted using the Implicit Price Deflator-Gross National Product index (IPD-GNP), or other factor selected by the Forest Service, to reflect more nearly the current fair-market value of the use. At intervals to be determined by certain changes in the indexes used to establish the linear rights-of-way fee schedule, the fee shall be reviewed and adjusted as necessary to assure that it is commensurate with the value of the rights and privileges authorized. Failure of the holder to pay the annual payment, late charges, or other fees or charges shall cause the permit to terminate.

J. Pursuant to 31 U.S.C. 3717, et seq., interest shall be charged on any fee amount not paid within 30 days from the date the fee or fee calculation financial statement specified in this authorization becomes due. The rate of interest assessed shall be the higher of the rate of the current value of funds to the U.S. Treasury (i.e., Treasury tax and loan account rate), as prescribed and published by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins annually or quarterly or at the Prompt Payment Act rate. Interest on the principal shall accrue from the date the fee or fee calculation financial statement is due.

In the event the account becomes delinquent, administrative costs to cover processing and handling of the delinquency will be assessed.

A penalty of 6 percent per annum shall be assessed on the total amount delinquent in excess of 90 days and shall accrue from the same date on which interest charges begin to accrue.

Payments will be credited on the date received by the designated collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a non-workday, the charges shall not apply until the close of business on the next workday.

Disputed fees are due and payable by the due date. No appeal of fees will be considered by the Forest Service without full payment of the disputed amount. Adjustments, if necessary, will be made in accordance with settlement terms or the appeal decision.

If the fees become delinquent, the Forest Service will:

Liquidate any security or collateral provided by the authorization

If no security or collateral is provided, the authorization will terminate and the holder will be responsible for delinquent fees as well as any other costs of restoring the site to its original condition including hazardous waste cleanup.

Upon termination or revocation of the authorization, delinquent fees and other charges associated with the authorization will be subject to all rights and remedies afforded the United States pursuant to 31 U.S.C. 3711 *et seq.* Delinquencies may be subject to any or all of the following conditions:

Administrative offset of payments due the holder from the Forest Service.

Delinquencies in excess of 60 days shall be referred to United States Department of Treasury for appropriate collection action as provided by 31 U.S.C. 3711 (g), (1).

The Secretary of the Treasury may offset an amount due the debtor for any delinquency as provided by 31 U.S.C. 3720, *et seq.*)

K. This easement shall terminate in the event an easement is granted subsequently by the United States to a public road agency for operation of this road as a public highway.

L. Grantee shall pay the United States for all injury, loss, or damage, including fire suppression costs, in accordance with existing Federal and State laws.

M. Grantee shall indemnify the United States for any and all injury, loss, or damage, including fire suppression costs the United States may suffer as a result of claims, demands, losses, or judgments caused by the Grantee's use or occupancy under this easement.

N. Upon termination of this easement, the Grantee shall remove within a reasonable time the structures and improvements and shall restore the site to a condition satisfactory to the Grantor, unless otherwise waived in writing. If the Grantee fails to remove the structures or improvements within a reasonable period, as determined by the Grantor, the Grantor may remove and dispose of any improvements and restore the area and all costs shall be paid by the Grantee.

If the Grantor waives the removal of the improvements and restoration of the site, all improvements shall become the property of the United States.

The foregoing notwithstanding, this easement is granted subject to the following reservations by Grantor, for itself, its holders, contractors, and assignees:

1. The right to cross and recross the road at any place by any reasonable means and for any purpose in such manner as will not interfere unreasonably with Grantee's use of the road.
2. The right to all timber now or hereafter growing on the right-of-way, subject to Grantee's right to cut such timber as herein provided.
3. The right alone to extend rights and privileges for use of the road constructed on the premises to other users, provided that nonfederal users shall bear a fair share of the current replacement cost less depreciation of the road and shall reconstruct the road as necessary to accommodate their use.
4. The Grantor reserves the right to use or authorize the use of the road by other Federal agencies, without cost other than the performance or payment, as it may elect, for its proportionate share of maintenance costs.
5. The Grantor retains the right to occupy and use the right-of-way, and to issue or grant rights-of-way for other land uses, for other than road purposes, upon, over, under, and through the easement area provided that the occupancy and use do not interfere unreasonably with the rights granted herein.
6. The right to terminate this easement if the Grantor assumes jurisdiction and control of the road as a Forest Development Road and issues a replacement easement providing only for use of the road. The replacement easement shall be in the current standard format, which provides the Grantee the right to use the road for the purposes and for the period authorized by this easement, subject to such traffic control

regulations and rules as Grantor may impose reasonably upon or require of other users of the road without unreasonably reducing the rights herein granted.

The Grantor may take action to suspend, revoke, or terminate this easement under the Rules of Practice Governing Formal Adjudicatory Administrative Proceedings Instituted by the Secretary Under Various Statutes in 7 CFR 1.130-1.151. An administrative proceeding is not required when the easement terminates on the occurrence of a fixed or agreed-upon condition, event, or time.

O. Surveys, Land Corners (D4). The holder shall protect, in place, all public land survey monuments, private property corners, and Forest boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of the privileges permitted by this authorization, depending on the type of monument destroyed, the holder shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States," (2) the specifications of the county surveyor, or (3) the specifications of the Forest Service.

Further, the holder shall cause such official survey records as are affected to be amended as provided by law. Nothing in this clause shall relieve the holder's liability for the willful destruction or modification of any Government survey marker as provided at 18 U.S.C. 1858.

P. Corporation Status Notification (X46). The holder shall furnish the authorized officer with the names and addresses of shareholders owning three (3) percent or more of the shares, and number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote. In addition, the holder shall notify the authorized officer within fifteen (15) days of the following changes:

1. Names of officers appointed or terminated.
2. Names of stockholders who acquire stock shares causing their ownership to exceed 50 percent of shares issued or who otherwise acquire controlling interest in the corporation.
3. A copy of the articles of incorporation and bylaws.
4. An authenticated copy of a resolution of the board of directors specifically authorizing a certain individual or individuals to represent the holder in dealing with the Forest Service.
5. A list of officers and directors of the corporation and their addresses.
6. Upon request, a certified list of stockholders and amount of stock owned by each.
7. The authorized officer may, when necessary, require the holder to furnish additional information as set forth in 36 CFR 251.54 (e)(1)(iv).

Q. Cultural Resources Protection (d001RO). The holder, contractor, or lessee shall be responsible for the protection from damage of all identified cultural resources within the area which may be affected by their actions. In addition, the holder, contractor, or lessee shall be liable for all damage or injury to the identified cultural resources caused by their actions. The holder, contractor, or lessee shall immediately notify the agency Project Administrator if any damage occurs to any cultural resource and immediately halt work in the area in which damage has occurred until approval to proceed has been granted by the Project Administrator after consultation with the Forest Archeologist. All provisions of the Region 3 Cultural Resources Damage Assessment Handbook are incorporated by reference herein.

R. Native American Grave Protection and Repatriation Act (x003RO). Pursuant to the Native American Grave Protection and Repatriation Act (NAGPRA) 25 USC 3002(d); 43 CFR Part 10.4, if any human remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered during the course of ground disturbing activity, the holder will immediately cease activity in the area of the discovery and will make a reasonable effort to protect the remains and objects. The holder will provide immediate telephone notification of the discovery to the Forest Service, and will follow up with written confirmation to the authorized officer. The holder will not resume the activity that resulted in the discovery until the authorized officer gives written approval. Approval to resume the activity, if otherwise lawful, will be given thirty (30) days after certification by the authorized officer of the





SEC, Inc. • Rojo Vista **SEVEN CANYONS ROAD ASSOCIATION**  
 20 Stutz Bearcat Dr. #6

**EXHIBIT A**

**REVISED  
 LEGAL DESCRIPTION  
 (50 Foot Easement)**

A 50 foot strip of ground for Ingress, egress and public utilities lying in Section 27, Township 18 North, Range 5 East, Gila and Salt River Base and Meridian, Yavapai County, Arizona, the centerline of which is described as follows:

**COMMENCING** at the Northeast Corner of Section 27 as marked by a found 1' x 1' x 1.5' stone properly scribed;

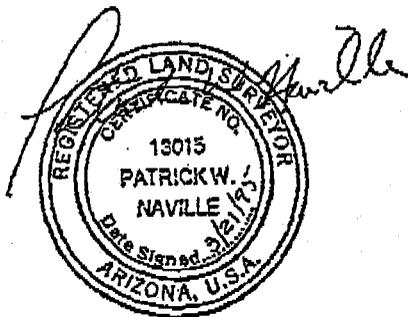
**THENCE** South 88 Degrees, 49 Minutes, 40 Seconds West (Basis of Bearings - Survey Plat sealed by J.D. ROEDER in January 1959, hereafter referred to as "record") a distance of 585.78 feet (record: 655.84 feet) to a found 2 inch iron pipe with aluminum cap stamped "USDOA F.S. E-E S22/S27 1/64 RLS 7908 1986";

**THENCE** South 88 Degrees, 50 Minutes, 25 Seconds West 998.54 feet (record South 88 Degrees, 49 Minutes, 40 Seconds West 998.76 feet) to a found 2 inch iron pipe with aluminum cap stamped "1/256 S22/S27 E-W-E RLS 7908 1986" from which, a found 2 inch iron pipe with aluminum cap stamped "1/256 SE-NW-NE S27 RLS 7908 1986" lies South 00 Degrees, 06 Minutes, 37 Seconds East 992.18 feet (record South 00 Degrees, 07 Minutes, 00 Seconds East 992.38 feet);

**THENCE** South 00 Degrees, 06 Minutes, 37 Seconds East 834.94 feet to the TRUE POINT OF BEGINNING;

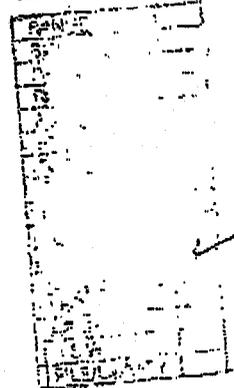
**THENCE** South 63 Degrees, 44 Minutes, 22 Seconds West 227.63 feet to a point of intersection with the centerline of an existing 50 foot ingress, egress and public utility easement, said point being on a non-tangent point of curvature, the central point of which, lies North 85 Degrees, 17 Minutes, 21 Seconds West 228.32 feet, said point of intersection also being the terminus of this easement.

94-0117X.LGL  
 94-01172.LGL



SEDONA R.D.

MAR 27 1995



**FORMERLY ROBERT TUCKER EASEMENT**

THIS IS A CONFORMED COPY OF INSTRUMENT  
RECORDED ON DATE 4-23-03 TIME 10:49A  
IN BOOK 4024 PAGE 312  
PATSY JENNEY-COLON, RECORDER  
Patsy Jenney-Colon DEPUTY

Authorization ID: RED0018  
Contact ID: SCRA  
Expiration Date: 12/31/2013  
Use Code: 752

FS-2700-01 (8/99)  
OMB No. 0596-0082

**U. S. DEPARTMENT OF AGRICULTURE**  
Forest Service  
**PRIVATE ROAD EASEMENT**  
AUTHORITY:

**FEDERAL LAND POLICY AND MGMT ACT, AS AMENDED October 21, 1976**

THIS EASEMENT, dated this 7th day of April, 2003, from the United States of America, acting by and through the Forest Service, Department of Agriculture, hereinafter called Grantor, to Seven Canyons Road Association a nonprofit corporation of the State of ARIZONA hereinafter called Grantee.

**WITNESSETH:**

WHEREAS, Grantee has applied for a grant of an easement under the Act of October 21, 1976 (90 Stat. 2743; 43 U.S.C. 1761), for a road over certain lands or assignable easements owned by the United States in the County of Yavapai, State of Arizona, and administered by the Forest Service, Department of Agriculture.

NOW THEREFORE, Grantor, for and in consideration of the payment of an annual use fee paid by Grantee does hereby grant to Grantee, subject to existing easements and valid rights, a nonexclusive easement for use of a road, along and across a strip of land, over and across the following described lands in the County of Yavapai, State of Arizona, NE1/4 Sec. 27, T. 18 N., R. 5 E., GILA AND SALT RIVER

Said premises are more specifically described by a centerline description contained in exhibit A1 attached hereto.

Said easement shall be 25 feet on each side of the centerline with such additional width as required for accommodation and protection of cuts and fills. If the road is located substantially as described herein, the centerline of said road as constructed is hereby deemed accepted by Grantor and Grantee as the true centerline of the easement granted.

This grant is made subject to the following terms, provisions, and conditions applicable to Grantee, its holders, contractors, assignees, and successors in interest.

A. Grantee shall comply with applicable Federal or State law and shall comply with State standards for public health and safety, environmental protection, and siting, construction, operation, and maintenance of or for rights-of-way for similar purposes, if those standards are more stringent than applicable Federal standards.

B. The rights herein conveyed do not include the right to use the road for access to developments for short- or long-term residential purposes, unless and until the Grantor and the Grantee agree upon traffic control regulations, rules, and other provisions to accommodate such use of the road.

C. Upon change in ownership of the land or facility served by this road, the rights granted under this easement may be transferred to the new owner upon written notification to the Regional Forester.

D. This easement shall expire on 12/31/2013. At that time, if the Grantee still needs the road for access to private property known originally as the Canyon Del Oro, the easement will be reissued for a period of 10 years (or the estimated remaining life of the project, whichever is less). At the time of reissuance, the terms and conditions of the easement may be modified and new conditions or stipulations added at the discretion of the Forest Service.

E. All construction or reconstruction of the road shall be in accordance with plans, specifications, and written stipulations approved by the Grantor prior to beginning such construction or reconstruction.

F. Grantee shall have the right to cut timber upon the easement area to the extent necessary for maintaining the road. Timber so cut shall, unless otherwise agreed to, be cut into standard log lengths or other products as specified by the authorized officer and decked along the road for disposal by the owner of such timber.

G. The Grantee shall maintain the right-of-way clearing by means of chemicals only after the Grantor has given specific written approval. Application for such approval must be in writing and must specify the time, method, chemicals, and the exact portion of the right-of-way to be chemically treated.

H. The Grantee shall provide maintenance so that there is no damage on adjacent National Forest land. The Grantee shall construct and maintain lead-off drainage and water barriers as necessary to prevent erosion.

I. Grantee shall pay annually in advance a sum determined by the Forest Service to be the fair market value of the use authorized by this easement. The initial payment is set at \$57.71 for the remainder of the calendar year. Payments for each subsequent calendar year shall be the amount of 57.71 adjusted using the Implicit Price Deflator-Gross National Product Index (IPD-GNP), or other factor selected by the Forest Service, to reflect more nearly the current fair-market value of the use. At intervals to be determined by certain changes in the indexes used to establish the linear rights-of-way fee schedule, the fee shall be reviewed and adjusted as necessary to assure that it is commensurate with the value of the rights and privileges authorized. Failure of the holder to pay the annual payment, late charges, or other fees or charges shall cause the permit to terminate.

J. Pursuant to 31 U.S.C. 3717, et seq., interest shall be charged on any fee amount not paid within 30 days from the date the fee or fee calculation financial statement specified in this authorization becomes due. The rate of interest assessed shall be the higher of the rate of the current value of funds to the U.S. Treasury (i.e., Treasury tax and loan account rate), as prescribed and published by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins annually or quarterly or at the Prompt Payment Act rate. Interest on the principal shall accrue from the date the fee or fee calculation financial statement is due.

In the event the account becomes delinquent, administrative costs to cover processing and handling of the delinquency will be assessed.

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Payments will be credited on the date received by the designated collection officer or deposit location. If the due date for the fee or fee calculation statement falls on a non-workday, the charges shall not apply until the close of business on the next workday.

Disputed fees are due and payable by the due date. No appeal of fees will be considered by the Forest Service without full payment of the disputed amount. Adjustments, if necessary, will be made in accordance with settlement terms or the appeal decision.

If the fees become delinquent, the Forest Service will:

Liquidate any security or collateral provided by the authorization.

If no security or collateral is provided, the authorization will terminate and the holder will be responsible for delinquent fees as well as any other costs of restoring the site to its original condition including hazardous waste cleanup.

Upon termination or revocation of the authorization, delinquent fees and other charges associated with the authorization will be subject to all rights and remedies afforded the United States pursuant to 31 U.S.C. 3711 *et seq.* Delinquencies may be subject to any or all of the following conditions:

Administrative offset of payments due the holder from the Forest Service.

Delinquencies in excess of 60 days shall be referred to United States Department of Treasury for appropriate collection action as provided by 31 U.S.C. 3711 (g), (1).

The Secretary of the Treasury may offset an amount due the debtor for any delinquency as provided by 31 U.S.C. 3720, *et seq.*)

K. This easement shall terminate in the event an easement is granted subsequently by the United States to a public road agency for operation of this road as a public highway.

L. Grantee shall pay the United States for all injury, loss, or damage, including fire suppression costs, in accordance with existing Federal and State laws.

M. Grantee shall indemnify the United States for any and all injury, loss, or damage, including fire suppression costs the United States may suffer as a result of claims, demands, losses, or judgments caused by the Grantee's use or occupancy under this easement.

N. Upon termination of this easement, the Grantee shall remove within a reasonable time the structures and improvements and shall restore the site to a condition satisfactory to the Grantor, unless otherwise waived in writing. If the Grantee fails to remove the structures or improvements within a reasonable period, as determined by the Grantor, the Grantor may remove and dispose of any improvements and restore the area and all costs shall be paid by the Grantee.

If the Grantor waives the removal of the improvements and restoration of the site, all improvements shall become the property of the United States.

The foregoing notwithstanding, this easement is granted subject to the following reservations by Grantor, for itself, its holders, contractors, and assignees:

1. The right to cross and recross the road at any place by any reasonable means and for any purpose in such manner as will not interfere unreasonably with Grantee's use of the road.
2. The right to all timber now or hereafter growing on the right-of-way, subject to Grantee's right to cut such timber as herein provided.
3. The right alone to extend rights and privileges for use of the road constructed on the premises to other users, provided that nonfederal users shall bear a fair share of the current replacement cost less depreciation of the road and shall reconstruct the road as necessary to accommodate their use.
4. The Grantor reserves the right to use or authorize the use of the road by other Federal agencies, without cost other than the performance or payment, as it may elect, for its proportionate share of maintenance costs.
5. The Grantor retains the right to occupy and use the right-of-way, and to issue or grant rights-of-way for other land uses, for other than road purposes, upon, over, under, and through the easement area provided that the occupancy and use do not interfere unreasonably with the rights granted herein.
6. The right to terminate this easement if the Grantor assumes jurisdiction and control of the road as a Forest Development Road and issues a replacement easement providing only for use of the road. The replacement easement shall be in the current standard format, which provides the Grantee the right to use the road for the purposes and for the period authorized by this easement, subject to such traffic control

regulations and rules as Grantor may impose reasonably upon or require of other users of the road without unreasonably reducing the rights herein granted.

The Grantor may take action to suspend, revoke, or terminate this easement under the Rules of Practice Governing Formal Adjudicatory Administrative Proceedings instituted by the Secretary Under Various Statutes in 7 CFR 1.130-1.151. An administrative proceeding is not required when the easement terminates on the occurrence of a fixed or agreed-upon condition, event, or time.

O. Surveys Land Corners (D4). The holder shall protect, in place, all public land survey monuments, private property corners, and Forest boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of the privileges permitted by this authorization, depending on the type of monument destroyed, the holder shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States," (2) the specifications of the county surveyor, or (3) the specifications of the Forest Service.

Further, the holder shall cause such official survey records as are affected to be amended as provided by law. Nothing in this clause shall relieve the holder's liability for the willful destruction or modification of any Government survey marker as provided at 18 U.S.C. 1858.

P. Corporation Status Notification (X46). The holder shall furnish the authorized officer with the names and addresses of shareholders owning three (3) percent or more of the shares, and number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote. In addition, the holder shall notify the authorized officer within fifteen (15) days of the following changes:

1. Names of officers appointed or terminated.
2. Names of stockholders who acquire stock shares causing their ownership to exceed 50 percent of shares issued or who otherwise acquire controlling interest in the corporation.
3. A copy of the articles of incorporation and bylaws.
4. An authenticated copy of a resolution of the board of directors specifically authorizing a certain individual or individuals to represent the holder in dealing with the Forest Service.
5. A list of officers and directors of the corporation and their addresses
6. Upon request, a certified list of stockholders and amount of stock owned by each.
7. The authorized officer may, when necessary, require the holder to furnish additional information as set forth in 36 CFR 251.54 (e)(1)(iv).

Q. Cultural Resources Protection (d001RO). The holder, contractor, or lessee shall be responsible for the protection from damage of all identified cultural resources within the area which may be affected by their actions. In addition, the holder, contractor, or lessee shall be liable for all damage or injury to the identified cultural resources caused by their actions. The holder, contractor, or lessee shall immediately notify the agency Project Administrator if any damage occurs to any cultural resource and immediately halt work in the area in which damage has occurred until approval to proceed has been granted by the Project Administrator after consultation with the Forest Archeologist. All provisions of the Region 3 Cultural Resources Damage Assessment Handbook are incorporated by reference herein.

R. Native American Grave Protection and Repatriation Act (x003RO). Pursuant to the Native American Grave Protection and Repatriation Act (NAGPRA) 25 USC 3002(d); 43 CFR Part 10.4, if any human remains, funerary objects, sacred objects, or objects of cultural patrimony are discovered during the course of ground disturbing activity, the holder will immediately cease activity in the area of the discovery and will make a reasonable effort to protect the remains and objects. The holder will provide immediate telephone notification of the discovery to the Forest Service, and will follow up with written confirmation to the authorized officer. The holder will not resume the activity that resulted in the discovery until the authorized officer gives written approval. Approval to resume the activity, if otherwise lawful, will be given thirty (30) days after certification by the authorized officer of the

holder's written confirmation of the discovery, or at any time that a written binding agreement is executed between the Forest Service and the affiliated tribes adopting a recovery plan for the remains and objects.

IN WITNESS WHEREOF, the Grantor, by its Forest Supervisor, Coconino National Forest, Forest Service, has executed this easement pursuant to the delegation of authority to the Chief, Forest Service, 7 CFR 2.60, and the delegation of authority by the Chief, Forest Service, dated August 22, 1984 (49 FR 34283), to the Regional Foresters, and the delegation of authority by the Regional Forester, Southwestern Region, to the Forest Supervisors, dated October 5, 1992 (57 FR 52756-52757), on the day and year first above written.

UNITED STATES OF AMERICA

By: *Liz Agpaga*  
Liz Agpaga  
Acting Forest Supervisor  
Coconino National Forest  
Forest Service  
Department of Agriculture

(APPROPRIATE ACKNOWLEDGMENT)

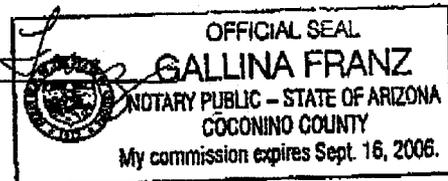
STATE OF ARIZONA )

ss.

COUNTY OF COCONINO )

The foregoing instrument was acknowledged before me this 8th day of April, 2003, by Liz Agpaga, known to me to be the Acting Forest Supervisor, Coconino National Forest, Region 3, Forest Service, United States Department of Agriculture, who being by me duly sworn stated that he signed said instrument on behalf of the United States of America under authority duly given, and he executed same as the free act and deed of the United States of America for the consideration and purposes therein contained.

*Gallina Franz*  
Notary Public



My commission expires: September 16, 2006

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0082.

This information is needed by the Forest Service to evaluate requests to use National Forest System lands and manage those lands to protect natural resources, administer the use, and ensure public health and safety. This information is required to obtain or retain a benefit. The authority for that requirement is provided by the Organic Act of 1897 and the Federal Land Policy and Management Act of 1976, which authorize the Secretary of Agriculture to promulgate rules and regulations for authorizing and managing National Forest System lands. These statutes, along with the Term Permit Act, National Forest Ski Area Permit Act, Granger-Thye Act, Mineral Leasing Act, Alaska Term Permit Act, Act of September 3, 1954, Wilderness Act, National Forest Roads and Trails Act, Act of November 16, 1973, Archaeological Resources Protection Act, and Alaska National Interest Lands Conservation Act, authorize the Secretary of Agriculture to issue authorizations for the use and occupancy of National Forest System lands. The Secretary of Agriculture's regulations at 36 CFR Part 251, Subpart B, establish procedures for issuing those authorizations.

The Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act (5 U.S.C. 552) govern the confidentiality to be provided for information received by the Forest Service.

Public reporting burden for this collection of information. If requested, is estimated to average 1 hour per response for annual financial information; average 1 hour per response to prepare or update operation and/or maintenance plan; average 1 hour per response for inspection reports; and an average of 1 hour for each request that may include such things as reports, logs, facility and user information, sublease information, and other similar miscellaneous information requests. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

EXHIBIT A1

March 1, 1995

Prepared By:  
Yavapai County Engineers Office **SEVEN CANYONS ROAD ASSOCIATION**  
March 1, 1995  
W.O. #91-15

CENTERLINE DESCRIPTION FOR  
RANCHO DEL ORO PARKWAY RIGHT OF WAY  
SITUATED IN COCONINO NATIONAL FOREST  
IN SECTION 27; TOWNSHIP 18 NORTH; RANGE 5 EAST  
G.&S.R.B&M, YAVAPAI COUNTY, ARIZONA

Rancho Del Oro Parkway right of way map as recorded in Book 31 at Page 90 of Maps & Plats, said right of way being 50 feet in width, 25 feet either side of the following described centerline:

Beginning at the Southeast corner of Rancho Del Oro Phase I Subdivision as recorded in Book 22 at Page 13 of Maps & Plats;

Thence run North 00°04'14" West along East boundary line of said subdivision a distance of 223.51 a point on the centerline of Rancho Del Oro Parkway of the aforementioned subdivision, said point also being the TRUE POINT OF BEGINNING for this centerline description;

Thence run North 50°25'34" East; a distance of 48.83 feet to a point of curve to the left;

Thence along the arc of said curve to the left a distance of 434.81 feet to a point of tangent, said curve having a radius of 229.98 feet, a central angle of 108°19'34", a tangent length of 318.44 feet and a chord length of 372.88 feet;

Thence run North 57°54'00" West a distance of 15.59 feet to a point on the East line of Canyon Del Oro Subdivision, Plat 2, as recorded in Book 9 at Page 92 of Maps & Plats, said point being the POINT OF TERMINATION for this centerline description, said point also bears South 00°04'14" East a distance of 687.23 feet from the Northeast corner of said subdivision.

Described right of way contains 0.57 acres more or less.

Basis of bearings (North 88°58'13" East) for description being the South line of Rancho Del Oro Phase I Subdivision, recorded in Maps & Plats in Book 22 at Page 13.

FY:lh  
Legals/Rancho.Oro

**FORMERLY YAVAPAI COUNTY RANCHO DEL ORO EASEMENT**