

Sec. 7, T26N, R3E

~~0.1-DX34~~

1.4-DX103-1

~~9-DX53~~

State of Michigan Records: 2226
County of Oscoda: August 19, 1984 4:15
Patricia Wright Registrar M. Dorn

ALCONA #1
IOSCO #9
OSCODA #13

WARRANTY DEED

CONSUMERS POWER COMPANY, a corporation organized and existing under the laws of the State of Michigan, having its principal office at 212 West Michigan Avenue, Jackson, Michigan 49201 (successor by merger to Consumers Power Company, a Maine corporation), GRANTOR, for and in consideration of the sum of THREE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$350,000.00), received to its full satisfaction, does by these presents CONVEY AND FOREVER WARRANT UNTO THE UNITED STATES OF AMERICA, Washington, D.C., and its assigns, GRANTEE, certain tracts of land with all appurtenances thereunto belonging or in anywise appertaining, situate in Mentor Township, Oscoda County, State of Michigan, said lands being more particularly described in Exhibit "A" attached hereto and made a part hereof, containing an aggregate of 581 acres, more or less.

SUBJECT TO easements for established or existing roads, highways, railroads and utilities.

SUBJECT ALSO TO minerals and mineral rights, if any, outstanding of record in third parties, to include rights of ingress and egress to any watercourse as evidenced by the instruments recorded at Liber 9X, Page 616, of the Oscoda County, Michigan records. This subjection applies only to the Southeast Quarter of the Northwest Quarter, Section 16, Township Twenty-Six North, Range Three East, described in Exhibit "A" attached.

SUBJECT ALSO TO flowage rights outstanding of record in favor of Grantor as set forth in the instrument recorded at Liber 17, Page 184, of the Oscoda County, Michigan records.

RESERVING TO Grantor, its successors and assigns, the right to flow the lands described in Exhibit "A" which are adjacent to the AuSable River, together with the right to fluctuate or otherwise affect the flow of water in the AuSable River by the normal operation and maintenance of Grantor's Mio Dam in said river, said reservation as it pertains to said lands being subject, however, to the terms, conditions, provisions, and limitations of the "Order Issuing License (Major)" of the United States of America, Federal Power Commission (Federal Energy Regulatory Commission) now pertaining to Project No. 2448 (Mio Dam).

Ordination, Assess Description checked
Reservation, Exception, Easement checked

wx

wx

51

RESERVING ALSO TO Grantor, its successors or assigns, all oil, gas, and associated hydrocarbon substances, in and under the lands described in Exhibit "A," together with the right to enter upon said lands and to prospect for, mine, and remove said oil, gas, and hydrocarbon substances, Forever, subject to the Rules and Regulations of the Secretary of Agriculture, dated April 30, 1963, a copy of which is attached hereto and made a part hereof as Exhibit "B." we

RESERVING FURTHER TO the Grantor, its successors or assigns, Forever, subject to the Rules and Regulations of the Secretary of Agriculture, dated August 5, 1938, a copy of which is attached hereto and made a part hereof as Exhibit "D," the easement and right to construct, erect, lay and maintain one or more lines consisting of towers, pole structures, poles, or any combination of same, wires, cables, conduits and other fixtures and appurtenances for the purpose of transmitting and distributing electricity and/or conducting a communication business on, over, under, and across certain strips of land being 200 feet and 55 feet in width for transmission lines and 30 feet in width for distribution lines, and being over a portion of the premises herein conveyed, said strips being described in Exhibit "C" attached hereto and made a part hereof, with full right and authority to Grantor, its successors, licensees, lessees, or assigns, and its and their agents and employees, subject to said Rules and Regulations set forth at Exhibit "D," to enter at all times upon said strips of land for the purpose of patrolling, constructing, repairing, removing, replacing, improving, enlarging, and maintaining such wires, cables, conduits, structures, towers, pole structures, poles and other supports with all necessary braces, guys, anchors, manholes, and transformers and stringing thereon, and supporting and suspending therefrom lines of wires, cables, or other conductors for the transmission and distribution of electrical energy and/or communication, and also the right to cut, trim, remove, destroy, or otherwise control all trees and brush growing upon said 200-foot, 55-foot, and said 30-foot wide strips of land which may, in the opinion of Grantor, interfere or threaten to interfere with or be hazardous to the construction, operation, and maintenance of DK

said lines. No buildings or other structures will be placed on said strips of land without the written consent of Grantor. Limited use of a part of the easement area reserved by the Grantor and occupied by Grantor's transmission and distribution line facilities shall not constitute abandonment as to any unused portion of said easement area which is situated within the easement boundaries and located to either side of that portion of said easement area occupied by Grantor's transmission and distribution line facilities:

The acquiring agency is the Forest Service, Department of Agriculture.

TO HAVE AND TO HOLD the said premises described at Exhibit "A," and all appurtenances thereto, unto Grantee, its successors and assigns, to the sole and only proper use, benefit and behoof of Grantee, its successors and assigns, Forever.

IN WITNESS WHEREOF, Consumers Power Company has caused these presents to be executed in its corporate name by its duly authorized officer this 30th day of July, 1984.

In the presence of:

Barothy M Fowler
Barothy M Fowler
Reginald E Nelson
Reginald E Nelson

CONSUMERS POWER COMPANY

By G. L. Heins
G L Heins
Vice President

APPROVED AS TO FORM
CONSUMERS POWER COMPANY
LEGAL DEPARTMENT

ATTEST:

[Signature]


(CORPORATE SEAL)

I hereby certify that for the five years preceding date of said instrument there are no tax liens or titles held by the State for any unpaid taxes, except such as may be in the process of collecting.

8/22/84 Kathy Coats Dep.
Kathy Coats Dep.
Oshtemo County Treasurer
Mio. Mich.

STATE OF MICHIGAN)
COUNTY OF JACKSON) SS

On this 30th day of July, 1984, before me, a Notary Public in and for said county, personally appeared G L Heins, to me personally known, who by me duly sworn, did say that he is the Vice President of Consumers Power Company, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said G L Heins, acknowledged said instrument to be the free act and deed of said corporation.



Reginald E Nelson
Notary Public

REGINALD E. NELSON
Notary Public, Jackson County, MI
My Commission Expires Dec. 1, 1984

(NOTARIAL SEAL)

My commission expires:

This instrument was drafted by Michael J. Danaher, Attorney, Office of the General Counsel, U.S. Department of Agriculture, Milwaukee, Wisconsin.

OSCODA COUNTY

T26N, R3E, MICHIGAN MERIDIAN, MENTOR TOWNSHIP

Acreage

No DX

Section 4:

SE $\frac{1}{4}$ SW $\frac{1}{4}$.

40.00

1.0-DX103-2
0.1-DX5-4
1.0-DX103-1
0.1-DX5-2

Section 7:

N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, that part of the W $\frac{1}{2}$ NW $\frac{1}{4}$ lying northerly of the southerly bank of the AuSable River and easterly of the easterly right-of-way line of State Highway M-33/M-72, as described in deed dated July 21, 1980, and recorded in Liber 119, pages 344-348, Oscoda County Records, said easterly right-of-way line described as follows: To find the place of beginning of said Easterly right-of-way, commence at the Southwest corner of Section 7; thence N 89°51'58"E along the South line of said section 1.79 feet; thence N 00°11'54"W, 1654.10 feet to the point of curvature of a 02°30'00" curve to the right; thence northerly along the arc of said curve, 937.63 feet to the point of tangency of said curve; thence S 66°45'27"E, 100.00 feet to the point of beginning of said Easterly right-of-way line; thence N 23°14'33"E, 432.25 feet to the point of curvature of a 2391.83 foot radius curve to the left; thence Northerly along the arc of said curve 1076.22 feet (chord bearing N 10°21'07.68"E); thence N 62°11'01"E, 55.17 feet to a point on the arc of a 2441.83 foot radius curve to the left; thence Northerly along the arc of said curve, 344.58 feet (chord bearing N 07°08'13.22"W) to the point of tangency of said curve; thence N 11°10'59"W, 438.93 feet; thence S 78°49'01"W, 50.00 feet; thence N 11°10'59"W, 524.16 feet to a point of ending on the North line of said Section 7, which said point of ending is N 89°19'06"E, 423.05 feet from the Northwest Corner of said section.

221.00

1.0-DX103-1
1.0-DX103-2
0.1-DX5-4
0.1-DX5-2
1.4-DX103-1

No DX

Section 9:

E $\frac{1}{2}$ NW $\frac{1}{4}$ and SW $\frac{1}{4}$.

240.00

Section 16:

E $\frac{1}{2}$ NW $\frac{1}{4}$.

80.00

9-DX5-3

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE

CONDITIONS, RULES AND REGULATIONS TO GOVERN EXERCISE OF MINERAL RIGHTS
RESERVED IN CONVEYANCES TO THE UNITED STATES

Code of Federal Regulations - Title 36 - Chapter II - Section 251.15

(a) Except as otherwise provided in paragraphs (b) and (c) of this section, in conveyances of lands to the United States under authorized programs of the Forest Service, where owners reserve the right to enter upon the conveyed lands and to prospect for, mine and remove minerals, oil, gas, or other inorganic substances, said reservations shall be subject to the following conditions, rules and regulations which shall be expressed in and made a part of the deed of conveyance to the United States and such reservations shall be exercised thereunder and in obedience thereto:

(1) Whoever undertaken to exercise the reserved rights shall give prior written notice to the Forest Service and shall submit satisfactory evidence of authority to exercise such rights. Only so much of the surface of the lands shall be occupied, used, or disturbed as is necessary in bona fide prospecting for, drilling, mining (including the milling or concentration of ores), and removal of the reserved minerals, oil, gas, or other inorganic substances.

(2)(i) None of the lands in which minerals are reserved shall be so used, occupied, or disturbed as to preclude their full use for authorized programs of the Forest Service until the record owner of the reserved rights, or the successors, assigns, or lessees thereof, shall have applied for and received a permit authorizing such use, occupancy, or disturbance of those specifically described parts of the lands as may reasonably be necessary to exercise of the reserved rights.

(ii) Said permit shall be issued upon agreement as to conditions necessary to protect the interest of the United States including such conditions deemed necessary to provide for the safety of the public and other users of the land, and upon initial payment of the annual fee, which shall be at the rate of \$2 per acre or fraction of acre included in the permit.

(iii) The permit shall also provide that the record owner of the reserved right or the successors, assigns, or lessees thereof, will repair or replace any improvements damaged or destroyed by the mining operations and restore the land to a condition safe and reasonably serviceable for authorized programs of the Forest Service, and shall provide for a bond in sufficient amount as determined necessary by the Forest Service to guarantee such repair, replacement or restoration.

(iv) Failure to comply with the terms and conditions of the aforesaid permit shall be cause for termination of all rights to use, occupy, or disturb the surface of the lands covered thereby, but in event of such termination a new permit shall be issued upon application when the causes for termination of the preceding permit have been satisfactorily remedied and the United States reimbursed for any resultant damage to it.

(3) All structures, other improvements, and materials shall be removed from the lands within one year after date of termination of the aforesaid permit. Should the holder of the permit fail to do so within the specified time, the Forest Service may remove, destroy or otherwise dispose of said structures, other improvements, and materials at the permittee's expense, or in lieu thereof, may upon written notice to the permittee, assume title thereto in the name of the United States.

(4) Timber and/or young growth cut or destroyed in connection with exercise of the reserved right shall be paid for at rates determined by the Forest

Service to be fair and equitable for comparable timber and/or young growth in the locality. All slash resulting from cutting or destruction of timber or young growth shall be disposed of as required by the Forest Service.

(5) In the prospecting for, mining, and removal of reserved minerals, oil, gas, or other inorganic substances all reasonable provisions shall be made for the disposal of tailings, dumpage, and other deleterious materials or substances in such manner as to prevent obstruction, pollution, or deterioration of water resources.

(6) Nothing herein contained shall be construed to exempt operators of the mining operations from any requirements of applicable State laws nor from compliance with or conformity to any requirements of any law which later may be enacted and which otherwise would be applicable.

(7) While any activities and/or operations incident to the exercise of the reserved rights are in progress, the operators, contractors, subcontractors, and any employees thereof shall use due diligence in the prevention and suppression of fires, and shall comply with all rules and regulations applicable to the land.

(b) The conditions, rules and regulations set forth in subparagraphs (1) through (7) of paragraph (a) of this section shall not apply to reservations contained in conveyances of lands to the United States under the Act of March 3, 1925, as amended (43 Stat. 1133, 64 Stat. 82; 16 U.S.C. 553).

(c) In cases where a State, or an agency, or a political subdivision thereof, reserves minerals, oil, gas, or other inorganic substances, in the conveyance of land to the United States under authorized programs of the Forest Service and there are provisions in the laws of such State or in conditions, rules and regulations promulgated by such State, agency or political subdivision thereof, which the Chief, Forest Service, determines are adequate to protect the interest of the United States in the event of the exercise of such reservation, the Chief, Forest Service, is hereby authorized, in his discretion, to subject the exercise of the reservation to such statutory provisions or such conditions, rules and regulations in lieu of the conditions, rules and regulations set forth in subparagraphs (1) through (7) of paragraph (a) of this section. In that event, such statutory provisions or such conditions, rules and regulations shall be expressed in and made a part of the deed of conveyance to the United States and the reservation shall be exercised thereunder and in obedience thereto.

All regulations heretofore issued by the Secretary of Agriculture to govern the exercise of mineral rights reserved in conveyances of lands to the United States under authorized programs of the Forest Service shall continue to be effective in the cases to which they are applicable, but are hereby superseded as to mineral rights hereafter reserved in conveyances under such programs.

(30 Stat. 35, as amended, 16 U.S.C. 551. Interpret or apply 36 Stat. 961, as amended, 16 U.S.C. 513-519, 42 Stat. 485, as amended; 16 U.S.C. 455, 456, and 50 Stat. 525, as amended, 7 U.S.C. 1011)

Signed at Washington, D.C., on April 30, 1963.

(S) ORVILLE L. FREEMAN,
Secretary.

OSCODA COUNTY

Electric Transmission Line Easements

T26N, R3E

A strip of land 200 feet in width across part of Section 7, T26N, R3E, Mentor Township, Oscoda County, Michigan being 100 feet on each side of a centerline described as follows: To find the place of beginning, commence at the Southeast corner of said section; run then North 0°02'17" East along the East line of said section 458.19 feet; thence North 48°56'26" West, 3335.78 feet to the East-West 1/4 line of said section and the place of beginning for this description, said place of beginning being 102.23 feet East of the center of said section as measured along said 1/4 line; thence North 48°56'26" West, 1354.82 feet; South 87°54'54" West, 686.33 feet to the Easterly right-of-way line of proposed Highway M33/M72 as described in a deed dated July 21, 1980 and recorded in Liber 119 at pages 344-348, Oscoda County Records. (Bearings are based on 1930 Government survey.)

A strip of land 200 feet in width across part of Section 7, T26N, R3E, Mentor Township, Oscoda County, Michigan, being 100 feet on each side of a centerline described as follows: To find the place of beginning, commence at the Northwest corner of said section; run thence South 0°01'09" West along the West line of said section 1358.97 feet; thence North 59°33'24" East 748.95 feet to the Easterly right-of-way line of proposed Highway M33/M72 as described in a deed dated July 21, 1980 recorded in Liber 119 at pages 344-348, Oscoda County Records, and the point of beginning of this description; thence continuing North 59°33'24" East to the West 1/8 line of said section; thence continuing North 59°33'24" East, 1576.54 feet; thence North 44°39'14" East, 75.34 feet to a point on the North line of said section, said point being 105.92 feet East of the North 1/4 corner of said section as measured along the North line of said section. (Bearings are based on 1930 Government survey.)

A strip of land 55 feet in width across the E¹/₄NW¹/₄ Section 16, T26N, R3E, Mentor Township, Oscoda County, Michigan, the North line of which is described as beginning at a point N 01°31'00" West, 55 feet from the West 1/4 post of said Section, thence S 88°51'51" E, 2736.34 feet to the point of ending.

Electric Distribution Line Easements

T26N, R3E

Three strips of land each of which is 30 feet in width in Section 7, T26N, R3E, and each of which is 15 feet on each side of the centerline of an existing electric distribution line. The centerlines of said electric distribution lines are described as follows:

EXHIBIT C

Page 1 of 2 Pages

LIBER 140 PAGE 234

- (1) In a Northeasterly and Southwesterly direction generally along the Northwesterly line of McKinley Road in the NE $\frac{1}{2}$ NW $\frac{1}{4}$ of said Section 7.
- (2) In a generally Northeasterly and Southwesterly direction in the NE $\frac{1}{2}$ NW $\frac{1}{4}$ and the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 7, crossing the West 1/8 line of said section North of McKinley Road and crossing the North line of said section in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ said section.
- (3) In a generally Easterly and Westerly direction across the S $\frac{1}{2}$ NW $\frac{1}{4}$ of said Section 7 lying East of Highway M33/M72 and North of the AuSable River and the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said section, crossing said highway North of the AuSable River and South of McKinley Road and proceeding Easterly and Southeasterly to the East and West 1/4 line of said section in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said section.

EXHIBIT C

Page 2 of 2 Pages

LIGER 140 page 235

Rules and Regulations Governing Rights-of-way
Reserved by the Grantor on Lands
Conveyed to the United States

In conformity with the provisions of the Act of March 1, 1911 (36 Stat. 961, 16 U.S.C. Sec. 519), I, H. A. Wallace, Secretary of Agriculture, do hereby prescribe the following rules and regulations to govern the use, occupancy, and operation of rights-of-way reserved by a grantor of lands to the United States.

1. Brush and refuse resulting from the exercise of the right-of-way reservation shall be disposed of to the satisfaction of the Forest Officer in charge.

2. Timber cut and destroyed in the exercise of the right-of-way reservation shall be paid for at rates to be prescribed by the Forest Officer in charge, which rates shall be the usual stumpage prices charged in the locality in sales of national forest timber of the same kind or species; for injury to timber, second growth, and reproduction, the amount of actual damage shall be ascertained by the Forest Supervisor according to the rules applicable in such cases.

3. All improvements built or maintained upon the right-of-way shall be kept in an orderly, safe and sanitary condition. Failure to maintain such conditions shall be cause for the termination of the reservation after 30 days' notice in writing to the occupant or user that unsatisfactory conditions exist and that the Department intends to terminate all rights under the reservation unless such conditions are forthwith corrected to the satisfaction of the Regional Forester.

4. Upon the abandonment of a reserved right-of-way, either by formal release, by termination, or by non-use for a period of one calendar year, all improvements thereon not the property of the United States shall be removed therefrom within three months from the date of the abandonment, otherwise such improvements shall vest in and become the property of the United States.

5. All reasonable precautions to prevent and suppress forest fires shall be taken by the grantor and all persons acting for or claiming under him; suitable crossings shall be constructed by grantor and/or said persons where the reserved right-of-way intersects existing roads and trails; borrow pits shall not be opened outside of the immediate graded section except under a special use permit from the Forest Supervisor.

6. Officers of the Forest Service shall have free ingress and egress on and over the reserved rights-of-way for all purposes necessary and incidental to the protection and administration of the national forest.

In testimony thereof, I have hereunto set my hand and official seal at the City of Washington, this 5th day of August, 1938.

[SEAL]

H. A. WALLACE,
Secretary of Agriculture.

[F.R. Doc. 38-2290; Filed, August 6, 1938;
12:40 p.m.]

EXHIBIT D