# MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY REMEDIATION AND REDEVELOPMENT DIVISION

In the matter of:

Farmers Petroleum, Inc., f/k/a FPC Acquisition Sub, Inc. Successor by merger to Farmer's Petroleum Cooperative, Inc.

MDEQ Reference No. AOC-RRD-2005-001

# ADMINISTRATIVE ORDER BY CONSENT FOR PAYMENT OF PAST AND FUTURE RESPONSE ACTIVITY COSTS

A. This Administrative Order by Consent (Order) is entered into voluntarily by and between the Michigan Department of Environmental Quality and the Attorney General for the State of Michigan (the State), and Farmers Petroleum, Inc., f/k/a FPC Acquisition Sub, Inc., the successor by merger to Farmers Petroleum Cooperative, Inc. (FPI), under the authority vested in the Attorney General and the MDEQ by Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.20101, et seq. The State and FPI are collectively referred to herein as the Parties. All terms used in this Order that are defined in Part 201 or its administrative rules, 2002 AACS R 299.5101 et seq. (Part 201 Rules), shall have the same meaning in this Order as in the Part 201 Rules.

B. This Order concerns the settlement between the State and FPI for the State's past and future response activity costs which have been and will continue to be incurred by the State in responding to the release or threat of release of hazardous substances at and emanating from the Michigan Sites that FPI owned or formerly owned, including but not limited to property located at 1115 Charlevoix Avenue, Petoskey, Michigan (the Petoskey Property), described on Exhibit 1 hereto. The Petoskey Property and any associated area, place, or other property where

concentrations of hazardous substances exceed the residential cleanup criteria under MCL 324.20120a(1)(a) and (17), and as further defined in the Part 201 Rules, is a "facility" as defined in NREPA's Part 201, MCL 324.20101(1)(o), subject to Part 201 regulation.

- C. Under Part 201, the State has incurred and will continue to incur costs in responding to the release or threat of a release of hazardous substances at the Petoskey Property. Under MCL 324.20126a(1)(a), a person liable under MCL 324.20126 is liable for all response activity costs that the State has lawfully incurred. The Parties to this Order intend to (a) resolve all claims for past and future response activity costs and surveillance and enforcement costs that the State has incurred and paid in connection with the Petoskey Property, (b) release the lien the MDEQ has placed on the Petoskey Property, (c) grant an easement on the Petoskey Property and access to property located at 217 East Livingston Road, Highland, Michigan (the "Highland Property"), described in Exhibit 2, to the MDEQ for response activity purposes; and (d) resolve FPI's obligations with respect to any of the properties that FPI owns or formerly owned located in the State of Michigan, which include but are not limited to the Petoskey Property, the Highland Property or any other site at which FPI is or was the registered owner of an underground storage tank in the State of Michigan (collectively, the "Michigan Sites"). Settling these claims is in the public interest and will avoid litigation.
- D. By executing this Order, FPI neither admits liability with respect to any issue covered under this Order, nor admits or denies any findings of fact or legal determinations, whether stated or implied.
- E. Except for the Covenant Not to Sue in Paragraph 4, this Order shall apply to and bind FPI, its successors, and assigns. No change in FPI's ownership or corporate status shall

alter in any way FPI's obligations under this Order. The signatories to this Order certify that they are authorized to sign this Order and legally bind the parties they represent.

BASED UPON THESE FACTS AND DETERMINATIONS, THE MDEQ, THE ATTORNEY GENERAL, AND FPI AGREE TO THE FOLLOWING:

- 1. To resolve all claims associated with the Michigan Sites, for past and future response activity costs under NREPA Part 201 and surveillance and enforcement costs under NREPA Part 31, "Water Resources Protection:"
  - A. Within 30 days of this Order's effective date, FPI shall assign to the State all of its right, title and interest in its allowed general unsecured claim, in the amount of \$768,234.70, against the debtor in *In re Farmland Industries, Inc.*, United States Bankruptcy Court, Western District of Missouri, Case No. 02-50557 (the "Farmland Claim") and remit to the State any distributions received by FPI, or to which FPI had a right to receive, on account of the Farmland Claim, as of this Order's effective date. The form of assignment is attached as Exhibit 3. As of January 2005, the anticipated distribution on account of the Farmland Claim was estimated to be 95%. The State acknowledges that any distributions on account of the Farmland Claim, in excess of 95%, if any, shall be paid by the Farmland Estate in accordance with the distribution schedule established under the Farmland's Second Amended Joint Plan of Reorganization, confirmed by the Bankruptcy Court's Order dated December 19, 2003.
  - B. Within 30 days of selling either the Petoskey Property, the Highland Property, or both, whichever occurs earliest, FPI shall pay \$70,000.00 to the State; provided, however, that in the event the aggregate net proceeds from the sale of both the Petoskey Property and the Highland Property are less than \$70,000, FPI shall pay the entire net

proceeds to the State, in full satisfaction of FPI's payment obligation under this subparagraph 1B.

For this Order's purposes, "past and future response activity costs" means all costs that the State has incurred for response activities to date or will incur in the future at the Petoskey Property, or any of the Michigan Sites resulting from releases of hazardous substances that occurred before this Order's effective date.

2. Payments are to be made by certified check, payable to the "State of Michigan Environmental Response Fund" and sent to:

Revenue Control Unit Financial and Business Services Division Michigan Department of Environmental Quality P.O. Box 30657 Lansing, Michigan 48909-8157

#### If via courier:

Revenue Control Unit
Financial and Business Services Division
Michigan Department of Environmental Quality Constitution Hall, 5<sup>th</sup> Floor,
South Tower
525 West Allegan Street
Lansing, Michigan 48933

To ensure proper credit, payments made under this Order must be by certified check referencing the "Farmers Petroleum Cooperative, Inc., Petoskey Facility," the MDEQ Reference No. AOC-RRD-2005-001, and the Remediation and Redevelopment Division Account No.

RRD-2194. A copy of the transmittal letter and the certified check shall also be provided to:

MDEQ Project Coordinator
Gaylord Field Office
Remediation and Redevelopment Division
Michigan Department of Environmental Quality
2100 West M-32
Gaylord, Michigan 49732

and:

Assistant Attorney General in Charge Environment, Natural Resources, and Agriculture Division Department of Attorney General P.O. Box 30755 Lansing, Michigan 48909

Costs recovered under this Order shall be deposited in the Environmental Response Fund in accordance with MCL 324.20108(3).

- 3. If FPI fails to assign the Farmland Claim, or remit to the State any distributions received from the Farmland Estate on account of the Farmland Claim as of the effective date, or make any other payment required under subparagraph 1B within the time frame set forth in Paragraph 1, FPI shall also pay the MDEQ interest on the balance not paid at the rate provided for in MCL 324.20126a(3).
- 4. In consideration of the payments that FPI shall make under this Order, except as otherwise provided in this Order under Section 20134, MCL 324.20134, the State covenants not to sue or to take further administrative action against FPI for any past and future response activity costs associated with the Michigan Sites, including but not limited to the response activity costs incurred by the State in connection with the Petoskey Property. The State's Covenant Not To Sue shall not take effect until (1) FPI has assigned the Farmland Claim, (2) the State has received a distribution in the amount of \$729,822.96 from FPI, (3) FPI has remitted to the State any further distributions above that received by FPI on account of the Farmland Claim as of the effective date of this Order, (4) FPI has remitted any payments due under subparagraph 1B, along with any interest that may have accrued under Paragraph 3, and (5) FPI executes, records and delivers to MDEQ proof in the form of a legible copy of each properly recorded

instrument being Exhibit 5. The mark of the County Register of Deeds must be legible and include the Liber, Page(s), County of recording, Date and Time recorded. This Covenant Not To Sue applies only to FPI, its successors and assigns.

- 5. In further consideration of the payments that FPI will make under this Order, the State will remove its Lien Placement, Assessment Number 05-99-0003646-02, recorded on July 16, 1999 for \$7,796.80, recorded with the Emmet County Register of Deeds, Liber 0694, Pages 928-30. The MDEQ will execute and deliver to FPI or its designee a Lien Release, in the form attached as Exhibit 4, within 5 business days of this Order's effective date as set forth in Paragraph 13.
- 6. To grant the MDEQ irrevocable access to perform response activities on the Petoskey Property and the Highland Property, FPI grants the MDEQ an easement on the Petoskey Property, in substantially the form set forth in the Easement Grant attached as Exhibit 5, and grants the MDEQ access to the Highland Property under an Access Grant substantially in the form attached as Exhibit 6.
- 7. This Order applies to and binds FPI, its successors and assigns, except that the Easement Grant as described in Exhibit 5, shall run with the Petoskey Property in accordance with the terms of the Easement.
- 8. Nothing in this Order shall be construed as releasing or discharging any person's liability to FPI. FPI specifically reserves is rights against such person, subject to Paragraph 13.

- 9. FPI agrees that all applicable statutes of limitation are tolled until FPI has complied with Paragraph 1.
- 10. Except as provided in paragraph 4, the State reserves all of its rights under state and federal law to perform response activities and to take enforcement action, including but not limited to: action to seek injunctive relief; response activity cost recovery not addressed under this Order; recovering natural resource damages and costs incurred to assess those damages; monetary penalties; punitive damages for any violation of law or this Order, and; liability for criminal acts. The State expressly reserves all rights and defenses under any available legal authority to enforce this Order.
- 11. The State has concluded that this Order's entry is appropriate based in part on FPI's representations, information, and documentation that FPI has provided relating to FPI's financial status. If the financial information or documents that FPI has provided are determined to have been substantially inaccurate concerning FPI's financial status, the Covenant Not to Sue in Paragraph 4 shall be void.
- 12. Nothing in this Order shall limit the MDEQ's or the State's power and authority under MCL 324.20132(8) to direct or order all appropriate action necessary to protect the public health, safety, or welfare, or the environment; or to prevent, abate, or minimize a release or threatened release of a hazardous substance, pollutant, or contaminant on, at, or from the Michigan Sites.

- Environmental Response, Compensation, and Liability Act (CERCLA), Section 113(f)(2), 42 USC 9613(f)(2), and to the extent provided in Paragraph 4, FPI shall not be liable for contribution claims for the matters addressed in Paragraph 4. Entering this Order does not discharge any other person's liability under NREPA Section 20126, MCL 324.20126, or the CERCLA, Sections 107 and 113, 42 USC 9607 and 9613, to the extent allowed by law. Under NREPA Section 20129(9), MCL 324.20129(9), any action by FPI for contribution from any person not a party to this Order shall be subordinated to the State's rights if the State files an action under Part 201 or other applicable state or federal law.
- 14. This Order shall become effective on the date that the MDEQ signs it. All dates for performing obligations under this Order shall be calculated from this Order's effective date. For this Order's purposes, "day" means a calendar day unless otherwise noted.

# **SIGNATORIES**

FARMERS PETROLEUM, INC., formerly known as FPC ACQUISITION SUB, INC.

Kelly W. Schemenauer, Secretary

Dated: May 24, 2005

# **SIGNATORIES (continued)**

THE MICHIGAN DEPARTMENT OF
ENVIRONMENTAL OUALITY

Andrew W. Hogarth, Chief Remediation and Redevelopment Division

# **SIGNATORIES (continued)**

DEP	ARTMENT OF ATTORNEY GEN	NERAL	
By:	Quart C. Pi	5.25.05	
	Jonathan C. Pierce (P47339)		
	Assistant Attorney General		
Environment, Natural Resources and Agriculture Di			
	P.O. Box 30755		
	Lansing, Michigan 48909		
ATT	ORNEY FOR MICHIGAN DEPA	RTMENT	
OF I	ENVIRONMENTAL QUALITY		
Date	ed: 5.25.05	<u> </u>	

S:NR/cases/200401729A/Farmer's Petrol/order

Property Address: 1115 Charlevoix Avenue, Petoskey, Michigan

#### Parcel I:

Commencing at a 3/4 inch pipe at the Southeast corner of Section 1, T34N, R6W, thence North 00 degrees 49 minutes 46 seconds East along the East line of said Section 2611.09 feet to a 3/8 inch iron bar at the East 1/4 corner of said Section; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line of said Section 648.55 feet to the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence continuing North 89 degrees 02 minutes 00 seconds West along said East and West 1/4 line (recorded as West) 82.00 feet, being the point of beginning of this description; thence South 00 degrees 48 minutes 51 seconds West, parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section as established by George Young RLS, 33.00 feet to a manhole cover on the South line of Charlevoix Avenue (US-31); thence continuing South 00 degrees 48 minutes 51 seconds West along the prolongation of the last described course 71.54 feet to a T-iron stake; thence continuing South 00 degrees 48 minutes 51 seconds West along the prolongation of the last described course 110.40 feet to a T-iron stake (recorded as South 215.00 feet from said East and West 1/4 line); thence North 89 degrees 02 minutes 00 seconds West, parallel with said East and West 1/4 line, (recorded as West) 101.00 feet to a T-iron stake; thence South 00 degrees 48 minutes 30 seconds West (recorded as South) 245.04 feet (recorded as 245.00 feet) to a Tiron stake set by George Young RLS; thence North 89 degrees 03 minutes 16 seconds West (recorded as West) 100.00 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4, (recorded as North) 295.02 feet (recorded as 295.00 feet) to a T-iron stake; thence South 89 degrees 02 minutes 00 seconds East, parallel with said East and West 1/4 line, (recorded as East) 62.42 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 88.35 feet to a T-iron stake; thence South 88 degrees 25 minutes 46 seconds East 43.38 feet to a T-iron stake; thence South 00 degrees 58 minutes 13 seconds West 27.56 feet to a T-iron stake; thence South 89 degrees 01 minutes 47 seconds East 85.25 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 71.67 feet to a T-iron stake on the Southerly line of said Charlevoix Avenue (US-31); thence continuing North 00 degrees 48 minutes 51 seconds East 33 feet to said East and West 1/4 line; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line (recorded as East) 10.00 feet to the point of beginning, being a part of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W.

#### **EXCEPTING THEREFROM:**

Commencing at the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line, 82.00 feet; thence South 00 degrees 48 minutes 51 seconds West, 215.00 feet; thence North 89 degrees 02 minutes 00 seconds West, parallel with said East and West 1/4 line, 101.00 feet; thence South 00 degrees 48 minutes 30 seconds West, 45.04 feet to the point of beginning of this tract; thence South 00 degrees 48 minutes 30 seconds West, 200.00 feet; thence North 89 degrees 03 minutes 16 seconds West, 100.00 feet; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 200.00 feet; thence Easterly 100 feet, more or less to the point of beginning of this description.

#### **EXCEPTING THEREFROM:**

West 25 feet in width off the following described lands, to wit: Commencing at thence Northwest corner of Northeast 1/4 of Northeast 1/4 of Southeast 1/4 of Section 1, T34N, R6W, thence South 40 rods (660.00 feet), thence West 18 2/3 rods 307.89 feet, thence North 30 rods 495.00 feet, thence East 10 2/3 rods (175.89 feet), thence North 10 rods (165.00 feet), thence East 8 rods (132.00 feet), to the point of beginning.

Parcel II (Easement Parcel): An appurtenant easement for ingress and egress over the following described land:

Commencing at a 3/4 inch pipe at the Southeast corner of Section 1, T34N, R6W, thence North 00 degrees 49 minutes 46 seconds East along the East line of said Section 2611.09 feet to a 3/8 inch iron bar at the East 1/4 corner of said Section; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line of said Section 648.55 feet to the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence continuing North 89 degrees 02 minutes 00 seconds West along said East and West 1/4 line (recorded as West) 92.00 feet, being the point of beginning of this description; thence South 00 degrees 48 minutes 51 seconds West, parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section as established by George Young RLS 33.00 feet to a T-iron stake on the South line of Charlevoix Avenue (US-31); thence continuing South 00 degrees 43 minutes 51 seconds West along the prolongation of the last described course 71.67 feet to a T-iron stake; thence North 89 degrees 01 minutes 47 seconds West 85.25 feet to a T-iron stake; thence North 00 degrees 58 minutes 13 seconds East 27.56 feet to a T-iron stake; thence North 88 degrees 25 minutes 46 seconds West 13.10 feet; thence North 01 degrees 57 minutes 16 seconds East 43.97 feet to the Southerly line of said Charlevoix Avenue (US-31); thence continuing North 01 degrees 57 minutes 16 seconds East along the prolongation of the last described course 33.01 feet to said East and West 1/4 line; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line recorded as East) 37.22 feet; thence South 01 degrees 57 minutes 16 seconds West 33.01 feet to the Southerly line of said Charlevoix Avenue (US-31); thence South 15 degrees 33 minutes 10 seconds West 33.75 feet; thence South 00 degrees 55 minutes 58 seconds West along the Westerly line of sidewalk as existing April 8, 1976, 19.00 feet; thence South 89 degrees 01 minutes 47 seconds East along the Southerly line of gas station building and Easterly and Westerly extensions thereof 47.29 feet to the Easterly line of sidewalk; thence North 00 degrees 48 minutes 51 seconds East along the Easterly line of sidewalk and Northerly extension thereof 51.66 feet to the Southerly line of Charlevoix Avenue (US-31); thence continuing North 00 degrees 48 minutes 51 seconds East along the prolongation of the last described course 33.00 feet to the East and West 1/4 of said Section; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line (recorded as East) 21.51 feet to the point of beginning, being a part of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W.

As created by the Easement Agreement recorded in Book 266 at page 521 of the public records of Emmet County, Michigan, Register of Deeds."

Property Address: 217 East Livingston, Highland, Michigan

Lots 60 and 62 of North side of Livingston Street and the South ¼ of Lot 71 of the East side of St. John Street of the Map of Village of Highland, as platted by St. John and Ruggles, situated on SE ¼ of SW ¼ of Section 22 and the NE ¼ of NW ¼ of Section 27, Township 3 North, Range 7 East, Township of Highland, Oakland County, Michigan, as recorded in Liber 3 of Plats, Page 25.

#### **ASSIGNMENT**

This Assignment, made as of May <u>Ale</u>, 2005, by Farmers Petroleum, Inc. f/k/a FPC Acquisition Sub, Inc., successor by merger to Farmers Petroleum Cooperative, Inc., a Michigan corporation ("FPI"), to MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY ("MDEQ").

WHEREAS, FPI and MDEQ are parties to that certain Administrative Order by Consent for Payment of Past and Future Response Activity Costs, dated as of May  $\frac{\mathcal{U}}{\mathcal{U}}$ , 2005 (the "AOC"), with respect to FPI's obligations to MDEQ in connection with the Michigan Sites as defined in Paragraph C of the AOC.

WHEREAS, FPI holds an allowed general unsecured claim, in the amount of \$768,234.78 (the "Farmland Claim"), against the bankruptcy estate of Farmland Industries, Inc., United States Bankruptcy Court for the Western District of Missouri, Case No. 02-50557.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FPI hereby SELLS, ASSIGNS, TRANSFERS and CONVEYS, without warranty, unto MDEQ, its successors and assigns, all of FPI's right, title and interest in and to the Farmland Claim.

TO HAVE AND TO HOLD the Farmland Claim referenced in the preceding paragraph unto MDEQ and its successors and assigns forever. All capitalized terms used but not defined in this Assignment will be deemed to be defined as set forth in the AOC.

IN WITNESS WHEREOF, FPI has caused this Assignment to be executed by its duly authorized representative as of the date first above written.

FARMERS PETROLEUM, INC.,

f/k/a FPI ACQUISITION SUB, INC., the successor by merger to FARMERS PETROLEUM COOPERATIVE, INC.

elles W. Schemerquer

Kelly W. Schemenauer, Secretary

#### LIEN RELEASE

First Party: State of Michigan

Department of Environmental Quality

P.O. Box 30426 Lansing, MI 48909 Second Party: Farmer's Petroleum Cooperative, Inc.

7373 West Saginaw Highway

P.O. Box 30960

Lansing, Michigan 48917

Site No.: 0-003646 District: Cadillac

NOTICE OF RELEASE OF CLAIM OF INTEREST IN REAL PROPERTY

I hereby certify that the lien placed under the provisions of Section 20138(5) of Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, MCL 324.20101 et seq., for which the assessment listed below was issued, is released from the property situated in Emmet County, State of Michigan described as:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 34 NORTH, RANGE 6 WEST; THENCE NORTH 89° 02' 00" WEST ALONG THE EAST AND WEST QUARTER LINE, 82.00 FEET, BEING THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 0° 48' 51" WEST, 215.0 FEET; THENCE NORTH 89° 02' 00" WEST, PARALLEL WITH SAID EAST AND WEST QUARTER LINE, 101.00 FEET; THENCE SOUTH 0° 48' 30" WEST, 245.04 FEET; THENCE NORTH 89° 03' 16" WEST, 245.04 FEET; THENCE NORTH 89° 03' 1 100.0 FEET; THENCE NORTH 0° 48' 51" EAST, PARALLEL WITH THE WEST LINE OF SAID NORHTEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, 295.02 FEET, THENCE SOUTH 89° 02' 00" EAST, PARALLEL WITH SAID EAST AND WEST QUARTER LINE, 62.42 FEET; THENCE NORTH 0° 48' 51" EAST, PARALLEL WITH THE WEST LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER 88.35 FEET, THENCE SOUTH 88° 25' 46" EAST 43.38 FEET; THENCE SOUTH 0° 58' 13" WEST 27.56 FEET; THENCE SOUTH 89° 01' 47" EAST 85.25 FEET; THENCE NORTH 0° 48' 51" EAST, PARALLEL WITH THE WEST LINE OF SAID NORTHEAST QUARTER OF THE NORHTEAST QUARTER OF THE SOUTHEAST QUARTER 104.67 FEET TO THE EAST AND WEST QUARTER LINE; THENCE SOUTH 89° 02' 00" EAST ALONG SAID EAST AND WEST QUARTER LINE 10.0 FEET TO THE POINT OF BEGINNING, BEING A PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 34 NORTH, RANGE 6 WEST, AND CONTAINING 1.04 ACRES, EXCEPT THE TWO PORTIONS OF SUCH PARCEL WHICH LIE WESTERLY OF THE FENCE AS EXISTING APRIL 8, 1976, WHICH FENCE IS SHOWN ON THE SURVEY PERFORMED BY LAWRENCE R. FEINDT, SURVEYOR, ON APRIL 8, 1976, AND WHICH FENCE GENERALLY IS PARALLEL TO THE WESTERLY BOUNDARY OF SUCH PARCEL AND SEPARATES SUCH PARCEL FROM THE GREENWOOD CEMETERY PROPERTY AND EXCEPT THE PROPERTY SOLD TO BRUCE A. BEHRENDT ON APRIL 1, 1984 AND RECORDED WITH THE EMMET COUNTY REGISTER OF DEEDS ON APRIL 18, 1984, LIBER 338 PAGE 315 AND AS DESCRIBED AS COMMENCING AT THE NORHTWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 34 NORTH, RANGE 6 WEST; THENCE NORTH 89° 02' 00" WEST ALONG THE EAST AND WEST QUARTER LINE, 82.00 FEET; THENCE SOUTH 0° 48' 51" WEST, 215.0 FEET; THENCE NORTH 89° 02' 00" WEST, PARALLEL WITH SAID EAST AND WEST QUARTER LINE, 101.00 FEET; THENCE SOUTH 0° 48' 30" WEST, 45.04 FEET TO THE POINT OF BEGINNING OF THIS TRACT; THENCE SOUTH 0° 48' 30" WEST, 200.00 FEET; THENCE NORTH 89°03'16" WEST, 100.0 FEET; THENCE NORTH 0° 48' 51" EAST, PARALLEL WITH THE WEST LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER, 200.0 FEET; THENCE EASTERLY 100 FEET, MORE OR LESS, TO THE POINT OF BEGINNING OF THIS DESCRIPTION, EXCEPT ANY PORTION OF SUCH PARCEL WHICH LIE WESTERLY OF THE FENCE AS EXISTING APRIL 8, 1976, WHICH FENCE IS SHOWN ON THE SURVEY PERFORMED BY LAWRENCE R. FEINDT, SURVEYOR, AND CERTIFIED ON APRIL 8, 1976 AND WHICH FENCE GENERALLY IS PARALLEL TO THE WESTERLY BOUNDARY OF SUCH PARCEL AND SEPARATES SUCH PARCEL FROM THE GREENWOOD CEMETERY PROPERTY.

Date of Notice of Lien 5/26/1999; Assessment No. 05-99-0003646-02; Recorded in Liber 0694; Page 928-30;

Filing Date July 16, 1999; Place of Filing: Emmet County Register of Deeds.

STATE OF MICHIGAN, DEPARTMENT OF ENVIRONMENTAL QUALITY

Andrew W. Hogarth, Chief, Remediation and Redevelopment Division

STATE OF MICHIGAN, COUNTY OF INGHAM

The foregoing instrument was acknowledged before me this \_

day of \_M

Andrew W. Hogarth, Chief of the Remediation and Redevelopment Division (RRD), Department of Environmental Quality, an authorized representative on behalf of the department.

Prepared by: Jacqueline Barnett, RRD, DEQ

P.O. Box 30426, Lansing, Michigan 48909-7926

Notary Public

BRIAN K. MUENCH Notary Public, State of Michigan. County of Livingsian

My Commission Expires April 3, 2006 Acting in the County TNGHAM



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GRANT OF EASEMENT TRV 10475

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05/20/2005 12:46P Page: 1 of 7

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In the matter of:

Farmers Petroleum, Inc. f/k/a FPC Acquisition Sub, Inc., successor by merger to Farmers Petroleum Cooperative, Inc.

MDEQ Reference No. AOC-RRD-2005-001

# STATE OF MICHIGAN MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

### EASEMENT GRANT

Pursuant to the obligations of Farmers Petroleum, Inc., f/k/a FPC Acquisition Sub, Inc., the successor by merger to Farmers Petroleum Cooperative Inc. ("FPI") under the Administrative Order by Consent (AOC), MDEQ Reference No. AOC-RRD-2005-001, settlement agreement and no other consideration, GRANTOR,

> Farmers Petroleum, Inc. 103 West 26th Street North Kansas City, Missouri 64116 ("Grantor")

grants to the

Michigan Department of Environmental Quality Remediation and Redevelopment Division 525 W. Allegan Street Lansing, Michigan 48933 or P.O. Box 30426

Lansing, Michigan 48909-7926

("Grantee")

an EASEMENT IN GROSS, the purpose being for the performance of necessary response activities at the property located at 1115 Charlevoix Avenue, Petoskey, Michigan (the "Property"), described in Exhibit A. The Property described herein known by the MDEQ as "Farmers Petroleum Coop-Petoskey", MDEQ Facility Identification Number 0-0003646, and described in Exhibit A, is a site of environmental contamination (Facility) (a "facility" as defined by Part 201, Environmental Remediation, (Part 201), of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.20101, et seq., and or Part 213, Leaking Underground Storage Tanks (Part 213) of the NREPA, MCL 324.21301, et seq.).

Emmet County, Michigan E.

L-1055 P-569

### **DEFINITIONS**

As used in this Grant:

"Administrative Consent Order" means consent order MDEQ AOC RRD Reference Number AOC-RRD-2005-001 and all attachments, entered by FPI and the Grantee which is available at the office of the Grantee.

"Grantor" means, at any time during this Easement's existence, the title holder of all or any portion of the Property as defined in this Easement Grant.

"Grantee" means the Michigan Department of Environmental Quality (MDEQ), its successors, and assigns.

"Grantee Parties" means the Grantee, and its agents and their employees.

Unless otherwise stated, all terms used in this document, which are defined in NREPA Part 3, "Definitions," MCL 324.301, Part 201, MCL 324.20101 et seq, or the Part 201 Administrative Rules (Part 201 Rules), 1990 AACS R 299.5101, et seq, as amended at 2002 Michigan Register 24 effective December 21, 2002, shall have the same meaning in this document as in NREPA Parts 3, 201, and the Part 201 Rules.

# STATEMENT OF PURPOSE

This Easement Grant provides access to the Property to the Grantee Parties for implementing response activities at the Property, acting under authority set forth in NREPA Sections 20117(3)(e) and 20118. Anticipated response activities necessary to protect the public health, safety, and welfare, and the environment may include, but are not limited to: remedial investigation; installing, operating, inspecting, maintaining, repairing, and replacing free product recovery systems and groundwater treatment facilities; and evaluating and potentially removal, treatment or exposure control related to abandoned hazardous substances, or to vapor, soil, surface water, or sediments contaminated by hazardous substances.

#### GENERAL PROVISIONS

This Easement Grant shall be effective until the MDEQ determines that the response activities necessary to protect the public health, safety, and welfare, and the environment at the Property have been completed. Upon completing the necessary response activities and upon the current owner(s)' showing prima facie evidence of ownership of the Property, the MDEQ will in writing release and quit claim to the owner(s) all rights secured under this Easement Grant. Releasing the Easement Grant will be in the MDEQ's sole discretion.

Grantor agrees that in any lease entered into by the Grantor concerning all or any portion of the Property subject to this Easement Grant, the Grantor will provide notice of this Easement Grant to the lessee and shall assure that the lessee is bound to comply with this Easement Grant by including its terms in the lease.

Emmet County, Michigan

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Correspondence related to this Easement Grant shall be made to:

Project Manager, Farmers Petroleum, Inc. Facility
Facility ID # 0-0003646

Gaylord Field Office, Remediation and Redevelopment Division,
Michigan Department of Environmental Quality,
2100 W M-32
Gaylord, Michigan 49735.

The Grantor and the MDEQ may execute this Easement Grant in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute the same instrument. The Easement Grant shall be effective when both the Grantor and Grantee sign it.

Under this Easement Grant, full right and authority is provided to the Grantec Parties to enter at all times upon the Property to perform response activities, subject to the following conditions:

- (1) Grantee accepts this Easement Grant subject to all valid recorded easements, permits, licenses, leases, or other rights existing or pending when this Easement Grant was granted. Grantor, however, warrants that this Easement Grant is not subject to or limited by any existing encumbrances on the Property that may restrict or impede the MDEQ's ability to continue implementation of response activities at the Property:
- (2) Grantee Parties, to the fullest extent practicable, shall limit intrusive response activities on the Property to those areas of contamination subject to response activities under state law, use least intrusive action necessary to protect public health, safety and welfare, and shall provide Grantor with forty-eight hours (48) notice of any such response activities, unless immediate action is necessary to prevent an imminent threat to public health or welfare or the environment. The Grantee Parties shall use best efforts to avoid disruption of Grantor's use and occupancy of the Property, restore the Property to its prior condition within a reasonable time after any disruption, and implement interim restorative activities when possible.
- (3) Grantor accepts no liability for the Grantge Parties' actions, including liability for injury or mishap sustained or caused by the Grantee Parties unless attributable to the Grantor.
- (4) Grantor agrees not to interfere with, interrupt, change, or otherwise disturb any systems or equipment that the Grantee Parties install or use. Grantor also agrees not to use the Property in a manner that increases response activity costs, or otherwise exacerbates the existing contamination located on the Property. To ensure that this Easement Grant and its support for the Grantee's effective response activity implementation is not violated, the Grantor and any future owners subject to this Easement Grant shall consult with the MDEQ before performing any construction activities on the Property.
- (5) The Grantor agrees to allow the Grantee Parties use of any existing utilities for the purpose of conducting response activities at the Facility. Unless released sooner by the Grantee, such allowance for use of the existing utilities shall continue until all the MDEQ's response activities have concluded. The Grantee or Grantee Parties shall install or have installed metering equipment to meter usage of any utility service the Grantee Parties shall utilize at the property.



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Emmet County, Michigan E. 32.00 5018744

and all utility billings and payments will occur directly between the Grantee Parties and any utility from which the Grantee Parties receive service.

# **SIGNATORIES**

The undersigned individual represents and warrants that he or she is fully authorized to enter into this Easement Grant and to legally bind such party to this Easement Grant's terms and conditions.

Dated this 24 day of May, 2005.

Farmers Petroleum, Inc. f/k/a FPC Acquisition Sub, Inc., successor by merger to Farmers Petroleum Cooperative, Inc.

By: Yelly W. Schemenauer, Secretary

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STATE OF MISSOURI )

COUNTY OF CHAY Jackson )

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Acknowledged before me by Kelly W. Schemenauer, Secretary of Farmers Petroleum, Inc. f/k/a FPC Acquisition Sub, Inc., successor by merger to Farmers Petroleum Cooperative, Inc., a corporation.

SHELLY BOXBERGER Notary Public - Notary Seed State of Missouri **Jackson County** My Commission Expires Jan. 20, 2009

Shelly Bothleger, Notary Public My commission expires: 01-20-2009

Prepared by: Brian Muench/Joseph Cobe Compliance and Enforcement Section Remediation and Redevelopment Division Department of Environmental Quality P.O. Box 30426 Lansing, Michigan 48909-7926

APPROVED AS TO FORM:

Jonathan Pierce

Assistant Attorney General

Environment, Natural Resources and Agriculture Division

Department of Attorney General

#### EXHIBIT A TO EASEMENT GRANT

Property Address: 1115 Charlevoix Avenue, Petoskey, Michigan

#### Parcel I:

Commencing at a 3/4 inch pipe at the Southeast corner of Section 1, T34N, R6W, thence North 00 degrees 49 minutes 46 seconds East along the East line of said Section 2611.09 feet to a 3/8 inch iron bar at the East 1/4 corner of said Section, thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line of said Section 648.55 feet to the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence continuing North 89 degrees 02 minutes 00 seconds West along said East and West 1/4 line (recorded as West) 82.00 feet, being the point of beginning of this description; thence South 00 degrees 48 minutes 51 seconds West, parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section as established by George Young RLS, 33.00 feet to a manhole cover on the South line of Charlevoix Avenue (US-31); thence continuing South 00 degrees 48 minutes 51 seconds West along the prolongation of the last described course 71.54 feet to a T-iron stake; thence continuing South 00 degrees 48 minutes 51 seconds West along the prolongation of the last described course 110.40 feet to a T-iron stake (recorded as South 215.00 feet from said East and West 1/4 line); thence North 89 degrees 02 minutes 00 seconds West, parallel with said East and West 1/4 line, (recorded as West) 101.00 feet to a T-iron stake; thence South 00 degrees 48 minutes 30 seconds West (recorded as South) 245.04 feet (recorded as 245.00 feet) to a Tiron stake set by George Young RLS; thence North 89 degrees 03 minutes 16 seconds West (recorded as West) 100.00 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4, (recorded as North) 295.02 feet (recorded as 295.00 feet) to a T-iron stake; thence South 89 degrees 02 minutes 00 seconds East, parallel with said East and West 1/4 line, (recorded as East) 62.42 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 88.35 feet to a T-iron stake; thence South 88 degrees 25 minutes 46 seconds East 43.38 feet to a T-iron stake; thence South 00 degrees 58 minutes 13 seconds West 27.56 feet to a T-iron stake; thence South 89 degrees 01 minutes 47 seconds East 85.25 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 71.67 feet to a T-iron stake on the Southerly line of said Charlevoix Avenue (US-31); thence continuing North 00 degrees 48 minutes 51 seconds East 33 feet to said East and West 1/4 line; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line (recorded as East) 10.00 feet to the point of beginning, being a part of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W.

#### **EXCEPTING THEREFROM:**

Commencing at the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line, 82.00 feet; thence South 00 degrees 48 minutes 51 seconds West, 215.00 feet; thence North 89 degrees 02 minutes 00 seconds West, parallel with said East and West 1/4 line, 101.00 feet; thence South 00(degrees 48 minutes 30 seconds West, 45.04 feet to the point of beginning of this tract; thence South 00 degrees 48 minutes 30 seconds West, 200.00 feet; thence North 89 degrees 03 minutes 16 seconds West, 100.00 feet; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 200.00 feet; thence Easterly 100 feet, more or less to the point of beginning of this description.

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Emmet County, Michigan E. 32.00 5018744

#### **EXCEPTING THEREFROM:**

West 25 feet in width off the following described lands, to wit: Commencing at thence Northwest corner of Northeast 1/4 of Northeast 1/4 of Southeast 1/4 of Section 1, T34N, R6W, thence South 40 rods (660.00 feet), thence West 18 2/3 rods 307.89 feet, thence North 30 rods 495.00 feet, thence East 10 2/3 rods (175.89 feet), thence North 10 rods (165.00 feet), thence East 8 rods (132.00 feet), to the point of beginning.

Parcel II (Easement Parcel): An appurtenant easement for ingress and egress over the following described land:

Commencing at a 3/4 inch pipe at the Southeast corner of Section 1, T34N, R6W, thence North 00 degrees 49 minutes 46 seconds East along the East line of said Section 2611.09 feet to a 3/8 inch iron bar at the East 1/4 corner of said Section; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line of said Section 648.55 feet to the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence continuing North 89 degrees 02 minutes 00 seconds West along said East and West 1/4 line (recorded as West) 92.00 feet, being the point of beginning of this description; thence South 00 degrees 48 minutes 51 seconds West, parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section as established by George Young RLS 33.00 feet to a T-iron stake on the South line of Charlevoix Avenue (US-31); thence continuing South 00 degrees 43 minutes 51 seconds West along the prolongation of the last described course 71.67 feet to a T-iron stake; thence North 89 degrees 01 minutes 47 seconds West 85.25 feet to a T-iron stake; thence North 00 degrees 58 minutes 13 seconds East 27.56 feet to a T-iron stake; thence North 88 degrees 25 minutes 46 seconds West 13.10 feet; thence North 01 degrees 57 minutes 16 seconds East 43.97 feet to the Southerly line of said Charlevoix Avenue (US-31); thence continuing North 01 degrees 57 minutes 16 seconds East along the prolongation of the last described course 33.01 feet to said East and West 1/4 line; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line recorded as East) 37.22 feet; thence South 01 degrees 57 minutes 16 seconds West 33.01 feet to the Southerly line of said Charlevoix Avenue (US-31); thence South 15 degrees 33 minutes 10 seconds West 33.75 feet; thence South 00 degrees 55 minutes 58 seconds West along the Westerly line of sidewalk as existing April 8, 1976, 19.00 feet; thence South 89 degrees 01 minutes 47 seconds East along the Southerly line of gas station building and Easterly and Westerly extensions thereof 47.29 feet to the Easterly line of sidewalk; thence North 00 degrees 48 minutes 51 seconds East along the Easterly line of sidewalk and Northerly extension thereof 51.66 feet to the Southerly line of Charlevoix Avenue (US-31); thence continuing North 00 degrees 48 minutes 51 seconds East along the prolongation of the last described course 33.00 feet to the East and West 1/4 of said Section; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line (recorded as East) 21.51 feet to the point of beginning, being a part of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W.

As created by the Easement Agreement recorded in Book 266 at page 521 of the public records of Emmet County, Michigan, Register of Deeds."

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In the matter of:

Farmers Petroleum, Inc. f/k/a FPC Acquisitions Sub, Inc. successor by merger to Farmers Petroleum Cooperative, Inc.

MDEQ Reference No. AOC-RRD-2005-001

# STATE OF MICHIGAN MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

# **ACCESS GRANT**

Pursuant to that certain Administrative Order by Consent (AOC), MDEQ reference No. AOC-RRD-2005-001, entered into between Michigan Department of Environmental Quality and Farmers Petroleum, Inc., the GRANTOR,

Farmers Petroleum, Inc. f/k/a FPC Acquisitions Sub, Inc. Successor by merger to Farmers Petroleum Cooperative, Inc. ("FPI") 103 West 26<sup>th</sup> Street
North Kansas City, Missouri, and

Highland Feed & Water, Inc. ("Highland"), a Michigan corporation, whose address is 217 Livingston Road Highland, Michigan 48301 (as the intended transferee of fee title to the property described below)

# grant to the

Michigan Department of Environmental Quality Remediation and Redevelopment Division P.O. Box 30426 Lansing, Michigan 48909-7926 ("Grantee")

an ACCESS GRANT, the purpose being for the performance of necessary response activities at the Farmers Petroleum, Inc. Facility ("Facility"), for the property located at 217 East Livingston, Highland, Michigan (the "Property"), described in Exhibit A hereto.

Some or all of the Facility, which includes all or portions of the Property subject to this Access Grant, is a site of environmental contamination and is a "facility" as defined by the Natural Resources and Environmental Remediation Act (NREPA), Part 201, "Environmental Remediation," MCL 324.20101(1)(o).

#### **DEFINITIONS**

As used in this Grant:

"Administrative Consent Order" means consent order MDEQ AOC RRD Reference Number AOC-RRD-2005-001 and all attachments, entered by FPI and the Grantee which is available at the office of the Grantee.

"Grantor" means FPI and Highland.

"Grantee" means the Michigan Department of Environmental Quality, its successors, and assigns.

"Grantee Parties" means the Grantee, and its agents and their employees.

Unless otherwise stated, all terms used in this document, which are defined in NREPA Part 3, "Definitions," MCL 324.301, Part 201, MCL 324.20101 *et seq*, or the Part 201 Administrative Rules (Part 201 Rules), 1990 AACS R 299.5101, *et seq*, as amended at 2002 Michigan Register 24 effective December 21, 2002, shall have the same meaning in this document as in NREPA Parts 3, 201, and the Part 201 Rules.

### STATEMENT OF PURPOSE

This Access Grant provides access to the property to the Grantee Parties for implementing response activities at the property, acting under authority set forth in NREPA Sections 20117(3)(e) and 20118. Anticipated response activities necessary to protect the public health, safety, and welfare, and the environment include, but are not limited to: remedial investigation; installing, operating, inspecting, maintaining, repairing, and replacing free product recovery systems and groundwater treatment facilities; evaluating and potentially removal, treatment or exposure control related to abandoned hazardous substances, or to vapor, soil, surface water, or sediments contaminated by hazardous substances, and; placing appropriate land-use restrictions.

Under this Access Grant, full right and authority is provided to the Grantee Parties to enter at all times upon the Property to perform response activities, subject to the following conditions:

- (1) The MDEQ accepts this Access Grant subject to all valid recorded easements, permits, licenses, leases, or other rights existing or pending when this Easement Grant was granted. FPI, however, warrants that this Access Grant is not subject to or limited by any existing encumbrances on the Property that may restrict or impede the MDEQ's ability to implement response activities at the Property and the Farmers Petroleum Cooperative Facility.
- (2) Grantee Parties, to the fullest extent practicable, shall limit intrusive activities on the Property to those areas of contamination subject to response activities under state law.
- (3) Grantor accepts no liability for the Grantee Parties' actions, including liability for injury or mishap sustained or caused by the Grantee Parties unless attributable to the Grantor.

- (4) Grantor agrees not to interfere with, interrupt, change, or otherwise disturb any systems, equipment, or signs that the Grantee Parties install or use. Grantor also agrees not to change the use the Property in a manner that increases response activity costs, or otherwise exacerbates the existing contamination located on the Property. To ensure that this Access Grant and its support for the Grantee's effective response activity implementation is not violated, the Grantor and any future owners subject to this Access Grant shall notify the MDEQ before performing any construction activities on the Property.
- (5) Grantee Parties shall use their best efforts to not unreasonably interfere with the operations of Grantor and its tenants on the Property.

## **GENERAL PROVISIONS**

This Access Grant shall be effective until the MDEQ determines that the response activities necessary to protect the public health, safety, and welfare, and the environment at the Facility have been completed. Upon completing the necessary response activities and upon the current owner(s)' showing *prima facie* evidence of ownership of the Property, the MDEQ will in writing release to the owner(s) all rights secured under this Access Grant.

Grantor agrees that in any lease entered into by the Grantor concerning all or any portion of the property subject to this Access Grant, the Grantor will provide notice of this Access Grant to the lessee and shall assure that the lessee is bound to comply with this Access Grant by including its terms in the lease.

Highland agrees to not convey title to the Facility without causing the transferee to first execute an access grant, substantially similar to this document, in favor of the Grantee unless Grantee has executed a release of this Access Grant before such transfer.

Grantor reserves for the Grantee Parties use of any existing utilities in conducting response activities at the Facility; provided that Grantee Parties pay all costs related thereto and not interfere with Grantor's use of any existing utilities. This reservation shall continue until the response activities have been concluded, unless the MDEQ releases this Access Grant sooner.

Correspondence related to this Access Grant shall be made to:

Project Manager, Farmers Petroleum, Inc. Facility
Facility ID # 0-0016774

South East District Office, Remediation and Redevelopment Division,
Michigan Department of Environmental Quality,
27700 Donald Ct.,
Warren, Michigan 48092-2793.

The Grantor and the MDEQ may execute this Access Grant in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute the same instrument. The Access Grant shall be effective when all parties sign it.

# **SIGNATORIES**

Each undersigned individual represents and warrants that he or she is fully authorized by the party they represent to enter into this Access Grant and to legally bind such party to this Access Grant's terms and conditions.

Kelly W. Schemenauer, Secretary Farmers Petroleum, Inc., f/k/a FPC Acquisition Sub Inc., Successor by merger to Farmers Petroleum Cooperative, Inc. Grantor	May 25, 2005  Date
David Miller, President Highland Feed & Water, Inc.	Date

APPROVED AS TO FORM:

Johathan C. Pierce (P47339)
Assistant Attorney General

Environment, Natural Resources, and

Agriculture Division

P.O. 30755

Grantor

Lansing, MI 48909

# **SIGNATORIES**

Each undersigned individual represents and warrants that he or she is fully authorized by the party they represent to enter into this Access Grant and to legally bind such party to this Access Grant's terms and conditions.

Kelly W. Schemenauer, Secretary

Date

6/6/05

Farmers Petroleum, Inc., f/k/a FPC Acquisition Sub Inc., Successor by merger to Farmers Petroleum Cooperative, Inc.

Grantor

David Miller, President

Highland Feed & Water, Inc.

Grantor

APPROVED AS TO FORM:

Jonathan C. Pierce (P47339) Assistant Attorney General Environment, Natural Resources, and Agriculture Division P.O. 30755 Lansing, MI 48909

# **EXHIBIT A TO ACCESS GRANT**

Property Address: 217 East Livingston, Highland, Michigan

Lots 60 and 62 of North side of Livingston Street and the South ¼ of Lot 71 of the East side of St. John Street of the Map of Village of Highland, as platted by St. John and Ruggles, situated on SE ¼ of SW ¼ of Section 22 and the NE ¼ of NW ¼ of Section 27, Township 3 North, Range 7 East, Township of Highland, Oakland County, Michigan, as recorded in Liber 3 of Plats, Page 25.

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Emmet Register of Deeds 06/20/2005 12:45P

TRV 10475

(Space above reserved for Recorder of Deeds certification)

# **QUITCLAIM DEED**

This QUITCLAIM DEED, made and delivered this 24 day of May, 2005, from Farmers Petroleum, Inc., a Michigan corporation, formerly known as FPC Acquisition Sub, Inc., a Michigan corporation ("Grantor"), having an address of 103 West 26th Avenue, North Kansas City, Missouri 64116, to Rodney Wiltse, an individual ("Grantee"), having an address of 10795 Pickerel Lake Road, Petoskey, Michigan 49770.

#### WITNESSETH:

That Grantor, for and in consideration of the sum of Eighty Six Thousand Dollars (\$86,000.00) paid by Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, SELL AND QUITCLAIM to Grantee, its successors and assigns forever, the real property located in the County of Emmet, State of Michigan, described in Exhibit A attached hereto and made a part hereof.

To have and to hold the same unto Grantec, its successors and assigns forever.

IN WITNESS WHEREOF, the undersighed have duly affixed their hands on the date stated above.

> FARMERS PETROLEUM, INC., a Michigan corporation, formerly known as FPC

By: Kelly W. Schemenauer, Secretary

645.00

Kelly W. Schemenauer, Secretary

05/20/2005 17656

### **ACKNOWLEDGMENT**

STATE OF MISSOURI )

COUNTY OF CLAY )

On this 24 day of May, 2005, before me, appeared Kelly W. Schemenauer, to me personally known, who being by me duly sworn, did say that she is the Secretary of FARMERS PETROLEUM, INC., a Michigan corporation, formerly known as FPC ACQUISITION SUB, INC., that said instrument was signed and sealed on behalf of said corporation, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at my office in Clay County, Missouri, the day and year last above written.

SHELLY BOXBERGER
Notary Public - Notary Seal
State of Missouri
Jackson County
My Commission Expires Jan. 20, 2009
Commission # 05448266

Shelly Boxberger

Notary Public in and for said County and State

My Commission Expires:

01-20-2009

Return to: Rodney Wiltse 10795 Pickerel Lake Road Petoskey, Michigan 49770 Prepared by:
Bryan Cave LLP
1200 Main Street
Suite 3500
Kansas Çity, Missouri 64105
Attention: Cassandra L. Writz, Esq.



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#### EXHIBIT $\Lambda$

Property Address: 1115 Charlevoix Avenue, Petoskey, Michigan

#### Parcel I:

Commencing at a 3/4 inch pipe at the Southeast corner of Section 1, T34N, R6W, thence North 00 degrees 49 minutes 46 seconds East along the East line of said Section 2611.09 feet to a 3/8 inch iron bar at the East 1/4 corner of said Section; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line of said Section 648.55 feet to the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence continuing North 89 degrees 02 minutes 00 seconds West along said East and West 1/4 line (recorded as West) 82.00 feet, being the point of beginning of this description; thence South 00 degrees 48 minutes 51 seconds West, parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section as established by George Young RLS, 33.00 feet to a manhole cover on the South line of Charlevoix Avenue (US-31); thence continuing South 00 degrees 48 minutes 51 seconds West along the prolongation of the last described course 71.54 feet to a T-iron stake; thence continuing South 00 degrees 48 minutes 51 seconds West along the prolongation of the last described course 110.40 feet to a T-iron stake (recorded as South 215.00 feet from said East and West 1/4 line); thence North 89 degrees 02 minutes 00 seconds West, parallel with said East and West 1/4 line, (recorded as West) 101.00 feet to a T-iron stake; thence South 00 degrees 48 minutes 30 seconds West (recorded as South) 245.04 feet (recorded as 245.00 feet) to a Tiron stake set by George Young RLS; thence North 89 degrees 03 minutes 16 seconds West (recorded as West) 100.00 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4, (recorded as North) 295.02 feet (recorded as 295.00 feet) to a T-iron stake; thence South 89 degrees 02 minutes 00 seconds East, parallel with said East and West 1/4 line, (recorded as East) 62.42 feet to a T-iron stake, thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 88.35 feet to a T-iron stake; thence South 88 degrees 25 minutes 46 seconds East 43.38 feet to a T-iron stake; thence South 00 degrees 58 minutes 13 seconds West 27.56 feet to a T-iron stake; thence South 89 degrees 01 minutes 47 seconds East 85.25 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 71.67 feet to a T-iron stake on the Southerly line of said Charlevoix Avenue (US-31); thence continuing North 00 degrees 48 minutes 51 seconds East 33 feet to said East and West 1/4 line; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line (recorded as East) 10.00 feet to the point of beginning, being a part of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W.

### **EXCEPTING THEREFROM:**

Commencing at the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line, 82.00 feet; thence South 00 degrees 48 minutes 51 seconds West, 215.00 feet; thence North 89 degrees 02 minutes 00 seconds West, parallel with said East and West 1/4 line, 101,00 feet; thence South 00 degrees 48 minutes 30 seconds West, 45.04 feet to the point of beginning of this tract; thence South 00 degrees 48 minutes 30 seconds West, 200.00 feet; thence North 89 degrees 03 minutes 16 seconds West, 100.00 feet; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 200.00 feet; thence Easterly 100 feet, more or less to the point of beginning of this description.



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Emmet County, Michigan

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#### EXCEPTING THEREFROM:

West 25 feet in width off the following described lands, to wit: Commencing at thence Northwest corner of Northeast 1/4 of Northeast 1/4 of Southeast 1/4 of Section 1, T34N, R6W, thence South 40 rods (660.00 feet), thence West 18 2/3 rods 307.89 feet, thence North 30 rods 495.00 feet, thence East 10 2/3 rods (175.89 feet), thence North 10 rods (165.00 feet), thence East 8 rods (132.00 feet), to the point of beginning.

Parcel II (Easement Parcel): An appurtenant casement for ingress and egress over the following described land:

Commencing at a 3/4 inch pipe at the Southeast corner of Section 1, T34N, R6W, thence North 00 degrees 49 minutes 46 seconds East along the East line of said Section 2611.09 feet to a 3/8 inch iron bar at the East 1/4 corner of said Section; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line of said Section 648.55 feet to the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence continuing North 89 degrees 02 minutes 00 seconds West along said East and West 1/4 line (recorded as West) 92.00 feet, being the point of beginning of this description; thence South 00 degrees 48 minutes 51 seconds West, parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section as established by George Young RLS 33.00 feet to a T-iron stake on the South line of Charlevoix Avenue (US-31); thence continuing South 00 degrees 43 minutes 51 seconds West along the prolongation of the last described course 71.67 feet to a T-iron stake; thence North 89 degrees 01 minutes 47 seconds West 85.25 feet to a T-iron stake; thence North 00 degrees 58 minutes 13 seconds East 27.56 feet to a T-iron stake; thence North 88 degrees 25 minutes 46 seconds West 13.10 feet; thence North 01 degrees 57 minutes 16 seconds East 43.97 feet to the Southerly line of said Charlevoix Avenue (US-31); thence continuing North 01 degrees 57 minutes 16 seconds East along the prolongation of the last described course 33.01 feet to said East and West 1/4 line; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line recorded as East) 37.22 feet; thence South 01 degrees 57 minutes 16 seconds West 33.01 feet to the Southerly line of said Charlevoix Avenue (US-31); thence South 15 degrees 33 minutes 10 seconds West 33.75 feet; thence South 00 degrees 55 minutes 58 seconds West along the Westerly line of sidewalk as existing April 8, 1976, 19.00 feet; thence South 89 degrees 01 minutes 47 seconds East along the Southerly line of gas station building and Easterly and Westerly extensions thereof 47.29 feet to the Easterly line of sidewalk; thence North 00 degrees 48 minutes 51 seconds East along the Easterly line of sidewalk and Northerly extension thercof 51:66 feet to the Southerly line of Charlevoix Avenue (US-31); thence continuing North 00 degrees 48 minutes 51 seconds East along the prolongation of the last described course 33.00 feet to the East and West 1/4 of said Section; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line (recorded as East) 21.51 feet to the point of beginning, being a part of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W.

As created by the Easement Agreement recorded in Book 266 at page 521 of the public records of Emmet County, Michigan, Register of Deeds."

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GRANT OF EASEMENT TRV 10473

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In the matter of:

Farmers Petroleum, Inc. f/k/a FPC Acquisition Sub, Inc., successor by merger to Farmers Petroleum Cooperative, Inc.

MDEQ Reference No. AOC-RRD-2005-001

# STATE OF MICHIGAN MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY

# **EASEMENT GRANT**

Pursuant to the obligations of Farmers Petroleum, Inc., f/k/a FPC Acquisition Sub, Inc., the successor by merger to Farmers Petroleum Cooperative Inc. ("FPI") under the Administrative Order by Consent (AOC), MDEQ Reference No. AOC-RRD-2005-001, settlement agreement and no other consideration, GRANTOR,

Farmers Petroleum, Inc. 103 West 26<sup>th</sup> Street North Kansas City, Missouri 64116 ("Grantor")

grants to the

Michigan Department of Environmental Quality Remediation and Redevelopment Division 525 W. Allegan Street Lansing, Michigan 48933 or P.O. Box 30426

Lansing, Michigan 48909-7926 34

("Grantee")

an EASEMENT IN GROSS, the purpose being for the performance of necessary response activities at the property located at 1115 Charlevoix Avenue, Petoskey, Michigan (the "Property"), described in Exhibit A. The Property described herein known by the MDEQ as "Farmers Petroleum Coop-Petoskey", MDEQ Facility Identification Number 0-0003646, and described in Exhibit A, is a site of environmental contamination (Facility) (a "facility" as defined by Part 201, Environmental Remediation, (Part 201), of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.20101, et seq., and or Part 213, Leaking Underground Storage Tanks (Part 213) of the NREPA, MCL 324.21301, et seq.).

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## **DEFINITIONS**

As used in this Grant:

"Administrative Consent Order" means consent order MDEQ AOC RRD Reference Number AOC-RRD-2005-001 and all attachments, entered by FPI and the Grantee which is available at the office of the Grantee.

"Grantor" means, at any time during this Easement's existence, the title holder of all or any portion of the Property as defined in this Easement Grant.

"Grantee" means the Michigan Department of Environmental Quality (MDEQ), its successors, and assigns.

"Grantee Parties" means the Grantee, and its agents and their employees.

Unless otherwise stated, all terms used in this document, which are defined in NREPA Part 3, "Definitions," MCL 324.301, Part 201, MCL 324.20101 et seq, or the Part 201 Administrative Rules (Part 201 Rules), 1990 AACS R 299.5101, et seq, as amended at 2002 Michigan Register 24 effective December 21, 2002, shall have the same meaning in this document as in NREPA Parts 3, 201, and the Part 201 Rules.

# STATEMENT OF PURPOSE

This Easement Grant provides access to the Property to the Grantee Parties for implementing response activities at the Property, acting under authority set forth in NREPA Sections 20117(3)(e) and 20118. Anticipated response activities necessary to protect the public health, safety, and welfare, and the environment may include, but are not limited to: remedial investigation; installing, operating, inspecting, maintaining, repairing, and replacing free product recovery systems and groundwater treatment facilities; and evaluating and potentially removal, treatment or exposure control related to abandoned hazardous substances, or to vapor, soil, surface water, or sediments contaminated by hazardous substances.

#### GENERAL PROVISIONS

This Easement Grant shall be effective until the MDEQ determines that the response activities necessary to protect the public health, safety, and welfare, and the environment at the Property have been completed. Upon completing the necessary response activities and upon the current owner(s)' showing prima facie evidence of ownership of the Property, the MDEQ will in writing release and quit claim to the owner(s) all rights secured under this Easement Grant. Releasing the Easement Grant will be in the MDEQ's sole discretion.

Grantor agrees that in any lease entered into by the Grantor concerning all or any portion of the Property subject to this Easement Grant, the Grantor will provide notice of this Easement Grant to the lessee and shall assure that the lessee is bound to comply with this Easement Grant by including its terms in the lease.



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Correspondence related to this Easement Grant shall be made to:

Project Manager, Farmers Petroleum, Inc. Facility
Facility ID # 0-0003646

Gaylord Field Office, Remediation and Redevelopment Division,
Michigan Department of Environmental Quality,
2100 W M-32
Gaylord, Michigan 49735.

The Grantor and the MDEQ may execute this Easement Grant in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute the same instrument. The Easement Grant shall be effective when both the Grantor and Grantee sign it.

Under this Easement Grant, full right and authority is provided to the Grantec Parties to enter at all times upon the Property to perform response activities, subject to the following conditions:

- (1) Grantee accepts this Easement Grant subject to all valid recorded easements, permits, licenses, leases, or other rights existing or pending when this Easement Grant was granted. Grantor, however, warrants that this Easement Grant is not subject to or limited by any existing encumbrances on the Property that may restrict or impede the MDEQ's ability to continue implementation of response activities at the Property:
- (2) Grantee Parties, to the fullest extent practicable, shall limit intrusive response activities on the Property to those areas of contamination subject to response activities under state law, use least intrusive action necessary to protect public health, safety and welfare, and shall provide Grantor with forty-eight hours (48) notice of any such response activities, unless immediate action is necessary to prevent an imminent threat to public health or welfare or the environment. The Grantee Parties shall use best efforts to avoid disruption of Grantor's use and occupancy of the Property, restore the Property to its prior condition within a reasonable time after any disruption, and implement interim restorative activities when possible.
- (3) Grantor accepts no liability for the Grantee Parties' actions, including liability for injury or mishap sustained or caused by the Grantee Parties unless attributable to the Grantor.
- (4) Grantor agrees not to interfere with, interrupt, change, or otherwise disturb any systems or equipment that the Grantee Parties install or use. Grantor also agrees not to use the Property in a manner that increases response activity costs, or otherwise exacerbates the existing contamination located on the Property. To ensure that this Easement Grant and its support for the Grantee's effective response activity implementation is not violated, the Grantor and any future owners subject to this Easement Grant shall consult with the MDEQ before performing any construction activities on the Property.
- (5) The Grantor agrees to allow the Grantee Parties use of any existing utilities for the purpose of conducting response activities at the Facility. Unless released sooner by the Grantee, such allowance for use of the existing utilities shall continue until all the MDEQ's response activities have concluded. The Grantee or Grantee Parties shall install or have installed metering equipment to meter usage of any utility service the Grantee Parties shall utilize at the property,



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and all utility billings and payments will occur directly between the Grantee Parties and any utility from which the Grantee Parties receive service.

# **SIGNATORIES**

The undersigned individual represents and warrants that he or she is fully authorized to enter into this Easement Grant and to legally bind such party to this Easement Grant's terms and conditions.

Dated this 24 day of Mey, 2005.

Farmers Petroleum, Inc. f/k/a FPC Acquisition Sub, Inc., successor by merger to Farmers Petroleum Cooperative, Inc.

By: Yelly W. Schemenauer, Secretary

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COUNTY OF CLAY (Jackson) )ss )

Acknowledged before me by Kelly W. Schemenauer, Secretary of Farmers Petroleum, Inc. f/k/a FPC Acquisition Sub, Inc., successor by merger to Farmers Petroleum Cooperative, Inc., a

Michigan corporation.
SHELLY BOXBERGER
Notary Public - Notary Seal
State of Missouri Jackson County My Commission Expires Jan. 20, 2009 Commission # 05446268

My commission expires: 01-20-2009

Prepared by: Brian Muench/Joseph Cobe Compliance and Enforcement Section Remediation and Redevelopment Division Department of Environmental Quality P.O. Box 30426 Lansing, Michigan 48909-7926

APPROVED AS TO FORM:

Jonathan Pierce

Assistant Attorney General

Environment, Natural Resources and Agriculture Division

Department of Attorney General

**FKOM** 

# EXHIBIT A TO EASEMENT GRANT

Property Address: 1115 Charlevoix Avenue, Petoskey, Michigan

Parcel I:

Commencing at a 3/4 inch pipe at the Southeast corner of Section 1, T34N, R6W, thence North 00 degrees 49 minutes 46 seconds East along the East line of said Section 2611.09 feet to a 3/8 inch iron bar at the East 1/4 corner of said Section; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line of said Section 648.55 feet to the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence continuing North 89 degrees 02 minutes 00 seconds West along said East and West 1/4 line (recorded as West) 82.00 feet, being the point of beginning of this description; thence South 00 degrees 48 minutes 51 seconds West, parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section as established by George Young RLS, 33.00 feet to a manhole cover on the South line of Charlevoix Avenue (US-31); thence continuing South 00 degrees 48 minutes 51 seconds West along the prolongation of the last described course 71.54 feet to a T-iron stake; thence continuing South 00 degrees 48 minutes 51 seconds West along the prolongation of the last described course 110.40 feet to a T-iron stake (recorded as South 215.00 feet from said East and West 1/4 line); thence North 89 degrees 02 minutes 00 seconds West, parallel with said East and West 1/4 linc, (recorded as West) 101.00 feet to a T-iron stake; thence South 00 degrees 48 minutes 30 seconds West (recorded as South) 245.04 feet (recorded as 245.00 feet) to a Tiron stake set by George Young RLS; thence North 89 degrees 03 minutes 16 seconds West (recorded as West) 100.00 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4, (recorded as North) 295.02 feet (recorded as 295.00 feet) to a T-iron stake; thence South 89 degrees 02 minutes 00 seconds East, parallel with said East and West 1/4 line, (recorded as East) 62.42 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 88.35 feet to a T-iron stake; thence South 88 degrees 25 minutes 46 seconds East 43.38 feet to a T-iron stake; thence South 00 degrees 58 minutes 13 seconds West 27.56 feet to a T-iron stake; thence South 89 degrees 01 minutes 47 seconds East 85.25 feet to a T-iron stake; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 71.67 feet to a T-iron stake on the Southerly line of said Charlevoix Avenue (US-31); thence continuing North 00 degrees 48 minutes 51 seconds East 33 feet to said East and West 1/4 line; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line (recorded as East) 10.00 feet to the point of beginning, being a part of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W.

#### **EXCEPTING THEREFROM:**

Commencing at the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line, 82.00 feet; thence South 00 degrees 48 minutes 51 seconds West, 215.00 feet; thence North 89 degrees 02 minutes 00 seconds West, parallel with said East and West 1/4 line, 101.00 feet; thence South 00/degrees 48 minutes 30 seconds West, 45.04 feet to the point of beginning of this tract; thence South 00 degrees 48 minutes 30 seconds West, 200.00 feet; thence North 89 degrees 03 minutes 16 seconds West, 100.00 feet; thence North 00 degrees 48 minutes 51 seconds East, parallel with the West line of said Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 200.00 feet; thence Easterly 100 feet, more or less to the point of beginning of this description.

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#### **EXCEPTING THEREFROM:**

West 25 feet in width off the following described lands, to wit: Commencing at thence Northwest corner of Northeast 1/4 of Northeast 1/4 of Southeast 1/4 of Section 1, T34N, R6W, thence South 40 rods (660.00 feet), thence West 18 2/3 rods 307.89 feet, thence North 30 rods 495.00 feet, thence East 10 2/3 rods (175.89 feet), thence North 10 rods (165.00 feet), thence East 8 rods (132.00 feet), to the point of beginning.

Parcel II (Easement Parcel): An appurtenant easement for ingress and egress over the following described land:

Commencing at a 3/4 inch pipe at the Southeast corner of Section 1, T34N, R6W, thence North 00 degrees 49 minutes 46 seconds East along the East line of said Section 2611.09 feet to a 3/8 inch iron bar at the East 1/4 corner of said Section; thence North 89 degrees 02 minutes 00 seconds West along the East and West 1/4 line of said Section 648.55 feet to the Northwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section; thence continuing North 89 degrees 02 minutes 00 seconds West along said East and West 1/4 line (recorded as West) 92.00 feet, being the point of beginning of this description; thence South 00 degrees 48 minutes 51 seconds West, parallel with the West line of the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section as established by George Young RLS 33.00 feet to a T-iron stake on the South line of Charlevoix Avenue (US-31); thence continuing South 00 degrees 43 minutes 51 seconds West along the prolongation of the last described course 71.67 feet to a T-iron stake; thence North 89 degrees 01 minutes 47 seconds West 85.25 feet to a T-iron stake; thence North 00 degrees 58 minutes 13 seconds East 27.56 feet to a T-iron stake; thence North 88 degrees 25 minutes 46 seconds West 13.10 feet; thence North 01 degrees 57 minutes 16 seconds East 43.97 feet to the Southerly line of said Charlevoix Avenue (US-31); thence continuing North 01 degrees 57 minutes 16 seconds East along the prolongation of the last described course 33.01 feet to said East and West 1/4 line; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line recorded as East) 37.22 feet; thence South 01 degrees 57 minutes 16 seconds West 33.01 feet to the Southerly line of said Charlevoix Avenue (US-31); thence South 15 degrees 33 minutes 10 seconds West 33.75 feet; thence South 00 degrees 55 minutes 58 seconds West along the Westerly line of sidewalk as existing April 8, 1976, 19.00 feet; thence South 89 degrees 01 minutes 47 seconds East along the Southerly line of gas station building and Easterly and Westerly extensions thereof 47.29 feet to the Easterly line of sidewalk; thence North 00 degrees 48 minutes 51 seconds East along the Easterly line of sidewalk and Northerly extension thereof 51.66 feet to the Southerly line of Charlevoix Avenue (US-31); thence continuing North 00 degrees 48 minutes 51 seconds East along the prolongation of the last described course 33.00 feet to the East and West 1/4 of said Section; thence South 89 degrees 02 minutes 00 seconds East along said East and West 1/4 line (recorded as East) 21.51 feet to the point of beginning, being a part of the Northeast 1/4 of the Southeast 1/4 of Section 1, T34N, R6W.

As created by the Easement Agreement recorded in Book 266 at page 521 of the public records of Emmet County, Michigan, Register of Deeds."

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