

CERTIFICATE OF PURCHASE

NO. 9627

STATE LAND DEPARTMENT OF THE STATE OF ARIZONA,
OFFICE OF STATE LAND COMMISSIONER

PAGE #: 0002 OF 0005
FEE #: 1995 6964

Sale No. 685
Parcel 2
Grant "S"



WHEREAS, on the 15th. day of November A. D., 19 77.

RESOURCES CO.

purchased from the State of Arizona the following described land, to-wit:

THE SOUTHWEST QUARTER (SW4) OF SECTION 2, TOWNSHIP 17 NORTH, RANGE 19 EAST, G&SRB&M, NAVAJO COUNTY, ARIZONA; CONTAINING 160.00 ACRES, MORE OR LESS.

MAIL TO:
MARY AGNES KNITTEL
ARIZONA PUBLIC SERVICE CO.
P. O. BOX 21666, STA. 3172
PHOENIX, ARIZONA 85036

FILE DATE: 05/11/1995 FILE TIME: 11:40
NAVAJO COUNTY, JAY TURLEY - COUNTY RECORDER

PURSUANT TO THE PROVISIONS OF ARIZONA REVISED STATUTES 37-231, OF THE FOLLOWING SUBSTANCES NOT HERETOFORE RETAINED AND RESERVED BY A PREDECESSOR IN TITLE TO THE STATE OF ARIZONA, ALL OIL, GAS, OTHER HYDROCARBON SUBSTANCES, HELIUM OR OTHER SUBSTANCES OF A GASEOUS NATURE, COAL, METALS, MINERALS, FOSSILS, FERTILIZER OF EVERY NAME AND DESCRIPTION, TOGETHER WITH ALL URANIUM, THORIUM, OR ANY OTHER MATERIAL WHICH IS OR MAY BE DETERMINED BY THE LAWS OF THE UNITED STATES, OR OF THIS STATE, OR DECISIONS OF COURT, TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIALS, WHETHER OR NOT OF COMMERCIAL VALUE, AND THE EXCLUSIVE RIGHT THERETO, ON, IN, OR UNDER THE ABOVE DESCRIBED LANDS, SHALL BE AND REMAIN AND ARE HEREBY RESERVED IN AND RETAINED BY THE STATE OF ARIZONA, TOGETHER WITH THE RIGHT OF THE STATE OF ARIZONA, ITS LESSEES OR PERMITTEES TO ENTER UPON THOSE LANDS FOR THE PURPOSE OF EXPLORATION, DEVELOPMENT AND REMOVAL OF THE ABOVE DESCRIBED SUBSTANCES AS PROVIDED BY THE RULES AND REGULATIONS OF THE STATE LAND DEPARTMENT AND THE LAWS OF ARIZONA, AND

ON CONDITION THAT THE FULL FEE INTEREST IN SAID REAL PROPERTY SHALL AUTOMATICALLY REVERT TO THE STATE OF ARIZONA IN TRUST FOR THE PRESENT BENEFICIARY THEREOF, AND PURCHASER HEREIN AGREES BY ACCEPTING THIS CERTIFICATE OF PURCHASE AND SUCH PATENT AS SHALL ISSUE THEREFOR TO SAID CONDITION AND TO ISSUE A RELATED DEED TO THE STATE OF ARIZONA UPON DEMAND, AFTER NOVEMBER 15, 2052, AND FURTHER PURCHASER AGREES TO BIND ALL MESNE ASSIGNEES HEREOF TO SAID CONDITIONS.

W/B

Section 2, in Township 17N, Range 19E, G. & S. R. B. & M., County of Navajo State of Arizona, containing 160.00 acres, more or less, under and subject to the provisions of the laws of the State of Arizona, for the sum of

FIFTY NINE THOUSAND TWO HUNDRED DOLLARS AND NO/100. Dollars (\$ 59,200.00)
of which there has been paid to the said State Land Department the sum of

FIVE THOUSAND NINE HUNDRED TWENTY DOLLARS AND NO/100. Dollars (\$ 5,920.00)
leaving a balance due of

FIFTY THREE THOUSAND TWO HUNDRED EIGHTY DOLLARS AND NO/100. Dollars (\$ 53,280.00)

AND, WHEREAS, the improvements attached to and upon said land have been appraised at the sum of

NONE Dollars (\$ -0-)
of which the said purchaser, not being the former owner of said improvements, has paid to the said State Land Department the sum of

NONE Dollars (\$ -0-)
leaving a balance due of

NONE Dollars (\$ -0-)
AND WHEREAS, the Classification and Appraisal fee payable by the said purchaser amounts to the sum of

ONE THOUSAND ONE HUNDRED EIGHTY FOUR DOLLARS AND NO/100. Dollars (\$ 1,184.00)
of which there has been paid to the said State Land Department the sum of

ONE THOUSAND ONE HUNDRED EIGHTY FOUR DOLLARS AND NO/100. Dollars (\$ 1,184.00)
leaving a balance due of

NONE Dollars (\$ -0-)

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NOW, THEREFORE, upon the surrender of this Certificate, full compliance with all the terms and conditions herein contained, payment of all sums remaining due as set forth herein, and compliance with all the provisions of law, the said purchaser, ITS heirs or assigns, will be entitled to have and receive a Patent from the State of Arizona to the land hereinbefore described.

CONDITIONS

The purchaser agrees to pay all taxes, water assessments or charges which may be assessed against said land, or the water right thereto; that any right to the use of water appurtenant to or existing upon the lands shall be so maintained by him as to prevent the forfeiture or abandonment of said right; that all taxes levied against the land and all construction and maintenance charges in connection with any United States reclamation project, from and subject to which the lands shall receive water, will be promptly paid, and all other acts will be performed to insure the acquisition and maintenance of said rights and the use of said water; provided, that if the successful irrigation of any such lands susceptible of irrigation from works constructed or controlled by the United States government should not be dependent upon said irrigation works, it shall not be necessary to acquire and maintain such water rights thereon.

The purchaser agrees that he will permit no loss or cause any waste in, to, or upon said land.

The purchaser, if not in default as to any payments specified herein, and who has kept and performed all the conditions imposed by law and this Certificate of Purchase, may, only with the written consent of the State Land Commissioner, assign his right, title and interest under this Certificate.

The purchaser of improvements upon said lands, from the owner of said improvements, when not fully paid for by the purchaser shall, at all times, during the life of this Certificate of Purchase, keep the insurable improvements adequately insured for the benefit of the State of Arizona, as required by Section Sixty, Chapter Five, Second Special Session of the Second Legislature of the State of Arizona, and commonly designated as the Public Land Code of the State of Arizona. The policies covering said insurance shall be deposited with the State Land Commissioner.

This Certificate of Purchase is issued subject to any and all reservations, easements, or rights of way heretofore legally obtained and now in full force and effect.

The STATE OF ARIZONA, BY AND THROUGH ITS LAND DEPARTMENT RESERVES

all Gas, Oil, Metals and Mineral rights. AS PROVIDED BY LAW.

This instrument is executed subject to all conditions, requirements and provisions of the Public Land Code of the State of Arizona, passed at the Second Special Session of the Second Legislature of the State of Arizona.

Time is an essential element in the premises, and the purchaser agrees, in accepting this Certificate, to make the payments as specified herein, falling in which this Certificate of Purchase will be subject to forfeiture as provided by law. Said payments of principal and interest shall be made at the time and in the amounts specified as follows, to-wit:

The first installment, in the sum of \$ 2,131.20 , on the purchase price of said land, together with interest at the rate of ^{seven} ~~five~~ per cent per annum on the whole amount of the unpaid principal, will be due and payable on the 16th. day of November A. D. 19 78 . Subsequent yearly installments in the sum of \$ 2,131.20 together with interest at the rate of ^{seven} ~~five~~ per cent per annum on the whole amount of unpaid principal, will be due and payable, as follows, to-wit: On the 16th. day of November each and every year from and including the year A. D., 19 79 , to and including the year A. D., ~~19~~ 2002 .

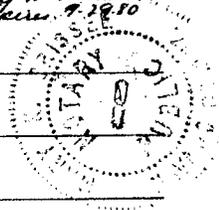
IN WITNESS WHEREOF, the said purchaser herein, has affixed his signature at the city of HOLBROOK, State of ARIZONA on the 5TH day of DECEMBER, A. D., 19 77 Mary K. Bresau, State Public
My Commission Expires 9-18-80

(Sign here) RESOURCES CO. Purchaser.

William C. Smith

P. O. Address 1231 W FLORIDA

NAVAJO HOLBROOK AZ. 86025
County City State



and the State Land Commissioner has affixed his signature at Phoenix, State of Arizona, on the 21st. day of December, A. D., 19 77.

P. T. Bettung
State Land Commissioner.

By _____ Deputy State Land Commissioner

INSTRUCTIONS

The statutes provide that all installments must be paid in advance and the Purchaser, accordingly, is hereby notified to make said payments on or before the dates above given.
Payments should be by draft, check or money order favor State Land Department. Currency or specie should not be remitted except by registered mail.
Payments must be accompanied by duplicate tax receipts or other statement by the collecting agency as evidence that all taxes are paid to date.

NOTE

Should the Purchaser desire to assign this Certificate and his rights thereunder he must do so upon the approved assignment and assumption forms which will be furnished upon request. Assignments made upon other than the forms furnished by the Commissioner will not be considered, nor will any assignment be recognized without the consent and approval of the State Land Commissioner. When transmitting assignment papers, this Certificate should be sent to the Commissioner in order that his consent may be noted thereon.

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