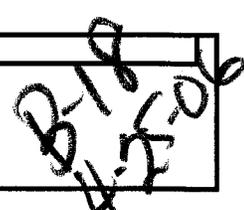


**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building		(2) MEETING DATE April 25, 2006	(3) CONTACT/PHONE Stephanie Fuhs (805) 781-5721	
(4) SUBJECT Approval of an Agreement Establishing Restrictions and Obligations for Real Property adjusted by Lot Line Adjustment COAL 03-0237 by Jan F. Davis, Successor Trustee of the James B. Davis Trust dated June 25, 1984, Supervisorial District #2.				
(5) SUMMARY OF REQUEST Request that the Board of Supervisors adopt the resolution accepting the Agreement Establishing Restrictions and Obligations. The project is located on the north east side of the intersection of Highway 1 and Cayucos Creek Road in the community of Cayucos.				
(6) RECOMMENDED ACTION Adopt the resolution approving and accepting the Agreement Establishing Restrictions and Obligations for Real Property adjusted by Lot Line Adjustment COAL 03-0237 by Jan F. Davis, Successor Trustee of the James B. Davis Trust dated June 25, 1984.				
(7) FUNDING SOURCE(S) Current Budget	(8) CURRENT YEAR COST N/A	(9) ANNUAL COST N/A	(10) BUDGETED? <input checked="" type="checkbox"/> YES <input type="checkbox"/> N/A <input type="checkbox"/> NO	
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): County Counsel, Public Works				
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____				
(13) SUPERVISOR DISTRICT(S) 1st, <u>2nd</u> , 3rd, 4th, 5th, All		(14) LOCATION MAP <input checked="" type="checkbox"/> Attached <input type="checkbox"/> N/A		
(15) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input type="checkbox"/> Board Business (Time Est. _____)		(16) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input type="checkbox"/> N/A		
(17) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		(18) APPROPRIATION TRANSFER REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A		

(19) ADMINISTRATIVE OFFICE REVIEW	 
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SAN LUIS OBISPO COUNTY
DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP
DIRECTOR

TO: BOARD OF SUPERVISORS

FROM: STEPHANIE FUHS, CURRENT PLANNING

VIA: WARREN HOAG, DIVISION MANAGER, CURRENT PLANNING *WH*

DATE: APRIL 25, 2006

SUBJECT: APPROVAL OF AN AGREEMENT ESTABLISHING RESTRICTIONS AND OBLIGATIONS FOR REAL PROPERTY ADJUSTED BY LOT LINE ADJUSTMENT COAL 03-0237 BY JAN F. DAVIS, SUCCESSOR TRUSTEE OF THE JAMES B. DAVIS TRUST DATED JUNE 25, 1984, SUPERVISORIAL DISTRICT #2

RECOMMENDATION

Adopt the resolution approving and accepting the Agreement Establishing Restrictions and Obligations for Real Property adjusted by Lot Line Adjustment COAL 03-0237 by Jan F. Davis, Successor Trustee of the James B. Davis Trust dated June 25, 1984.

DISCUSSION

Attached is an agreement establishing restrictions and obligations for real property which was required as a condition of approval for Lot Line Adjustment COAL 03-0237. These restrictions include provisions for permitting requirements for future residential development on all three parcels as well as designating a building envelope for development on Parcel 1 of the Lot Line Adjustment.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel prepared the agreement and approved the agreement and resolution as to form and legal effect.

County Public Works reviewed and approved the legal descriptions.

FINANCIAL CONSIDERATIONS

None.

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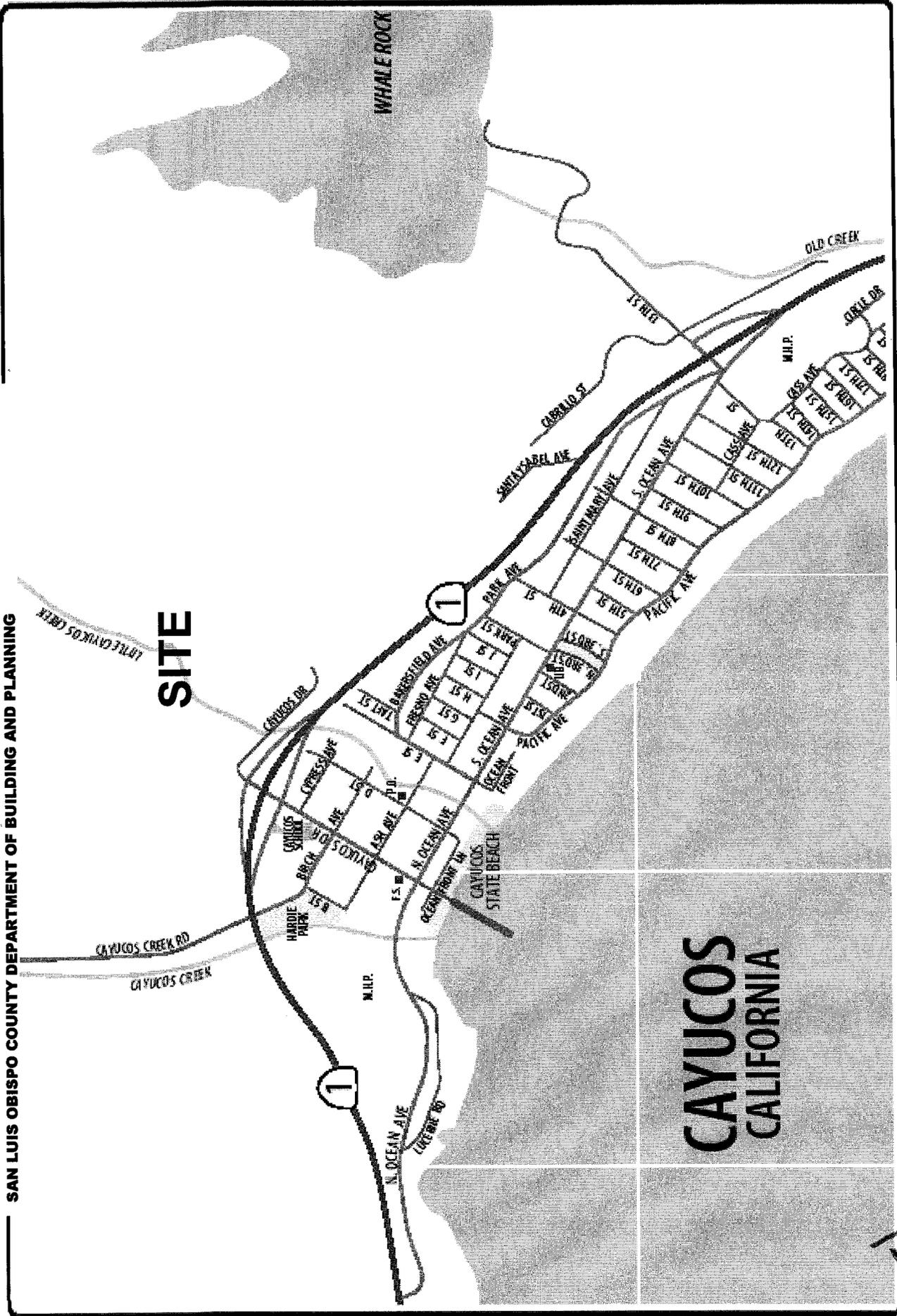
RESULTS

Approving and accepting the Agreement Establishing Restrictions and Obligations for Real Property Adjusted by Lot Line Adjustment COAL 03-0237 will ensure that development on Parcels 1-3 will be in accordance with ordinance-required level of discretionary permits under the San Luis Obispo County Code as well as limit development on Parcel 1 to a designated building envelope.

ATTACHMENTS

Resolution
Agreement
Vicinity Map
Site Map

APR 18
2006



PROJECT

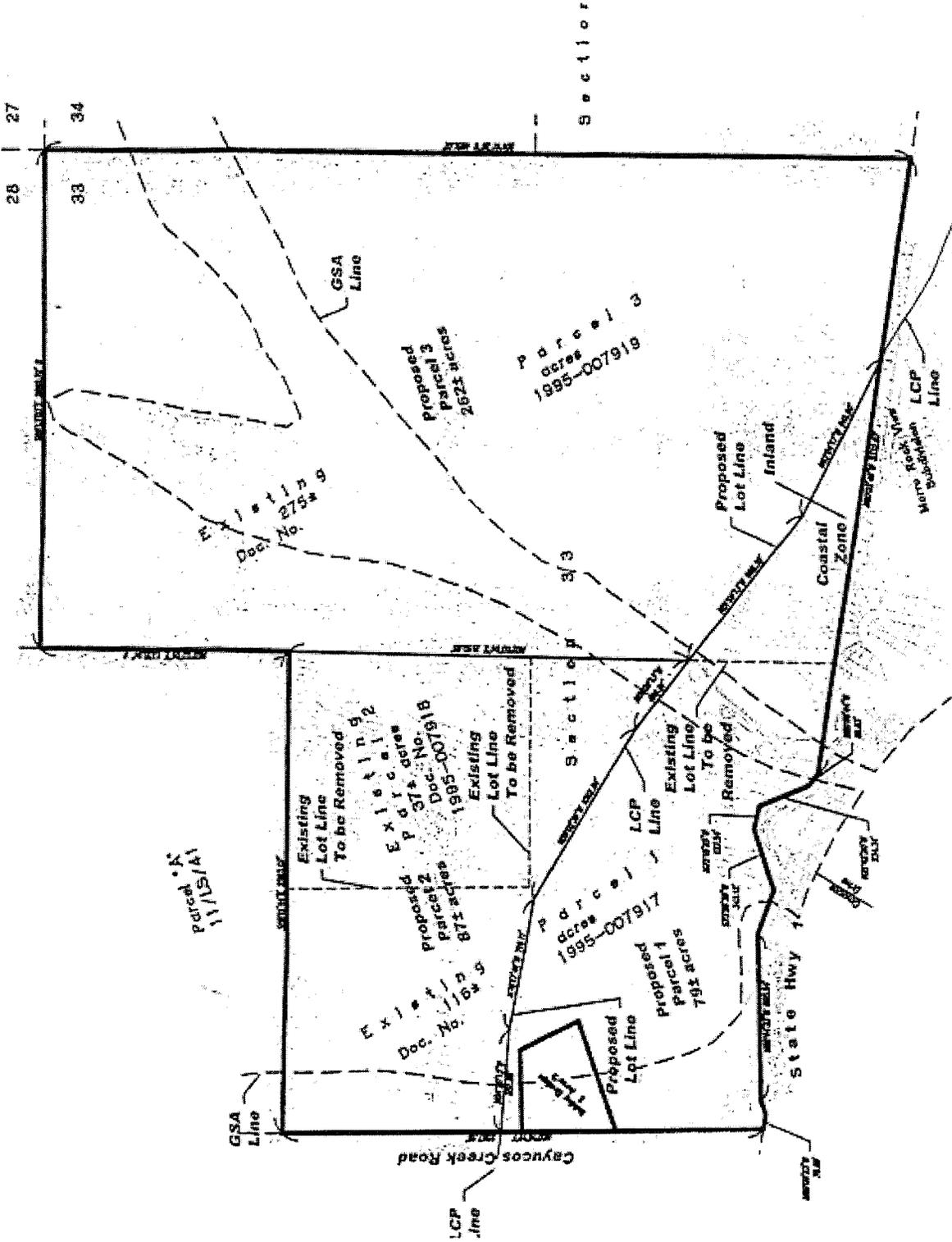
Lot Line Adjustment
Davis - S030125L

EXHIBIT

Vicinity Map



[Handwritten signature]
 4/18



PROJECT
 Lot Line Adjustment
 Davis - S030125L



EXHIBIT
 Site Plan

Handwritten signature/initials

IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

_____ day _____, 20____

PRESENT: Supervisors

ABSENT:

RESOLUTION NO. _____

**RESOLUTION APPROVING AGREEMENT ESTABLISHING RESTRICTIONS AND
OBLIGATIONS FOR REAL PROPERTY ADJUSTED BY LOT LINE ADJUSTMENT
COAL 03-0237 WITH JAN F. DAVIS, SUCCESSOR TRUSTEE OF THE JAMES B.
DAVIS TRUST DATED JUNE 25, 1984**

The following Resolution is hereby offered and read:

WHEREAS, the Director of Planning and Building by letter dated April 25, 2006,
20__, has duly recommended that the Board of Supervisors enter into the above-mentioned
agreement.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors
of the County of San Luis Obispo, State of California, as follows:

1. That the Agreement Establishing Restrictions and Obligations for Real Property
Adjusted by Lot Line Adjustment COAL 03-0237, a copy of which is attached hereto and
incorporated by reference herein as though set forth in full, is hereby approved by the County of San
Luis Obispo and the Chairperson of the Board of Supervisors is hereby authorized and directed to
execute said agreement on behalf of the County of San Luis Obispo.

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2. That the County Clerk is hereby authorized and directed to record this resolution and the above agreement in the office of the County Recorder of the County of San Luis Obispo.

Upon motion of Supervisor _____, seconded by Supervisor _____, and on the following roll call votes, to-wit:

AYES:

NOES:

ABSENT:

ABSTAINING:

the foregoing resolution is hereby adopted.

Chairperson of the Board of Supervisors

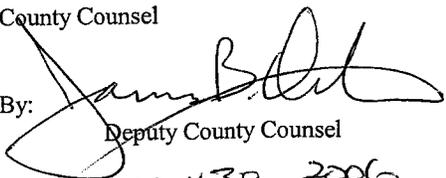
ATTEST:

County Clerk and Ex-Officio Clerk
of the Board of Supervisors, County
of San Luis Obispo, State of California

APPROVED AS TO FORM AND LEGAL EFFECT:

JAMES B. LINDHOLM, JR.
County Counsel

By:


Deputy County Counsel

Dated: MARCH 30, 2006

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RECORDING REQUESTED BY:

County of San Luis Obispo

AND WHEN RECORDED MAIL TO:

Clerk of the Board of Supervisors
County of San Luis Obispo
County Government Center
San Luis Obispo, CA 93408

APN 046-191-025

AGREEMENT ESTABLISHING RESTRICTIONS AND OBLIGATIONS
FOR REAL PROPERTY ADJUSTED BY LOT LINE ADJUSTMENT COAL 03-0237

THIS AGREEMENT is made and entered into this _____ day of _____,
20___, by and between JAN F. DAVIS, SUCCESSOR TRUSTEE OF THE JAMES B.
DAVIS TRUST DATED JUNE 25, 1984, hereinafter referred to as "Owner," and the
COUNTY OF SAN LUIS OBISPO, a political subdivision of the State of California,
hereinafter referred to as "County."

WITNESSETH:

WHEREAS, Owner is record owner of certain real property (hereinafter referred
to as "Owner's Property") located in the unincorporated area of the County of San Luis
Obispo described in Exhibit A attached hereto and incorporated by reference herein as
though set forth in full; and

WHEREAS, Owner has filed an application and lot line adjustment map
requesting approval of Lot Line Adjustment COAL 03-0237; and

ck. title rpt.
Revised December 12, 2005

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WHEREAS, Owner agreed in his project description to include the obligations and restrictions set forth below in this agreement as covenants, conditions, and restrictions affecting the use of Owner's Property; and

WHEREAS, as agreed to by Owner and as a condition of approval of said lot line adjustment and as a condition precedent to the approval and recordation of certificates of compliance completing and finalizing said lot line adjustment, Owner is required to enter into an agreement with the County imposing the restrictions and obligations set forth below as an obligation of Owner and the successors in interest of Owner's Property; and

WHEREAS, by the execution of this agreement by Owner and County, and the subsequent performance of the obligations of this agreement by Owner and his successors in interest, Owner will have satisfied the requirements of condition 10 of the conditions of approval of said lot line adjustment; and

WHEREAS, Owner has supplied County with a current title company preliminary title report or preliminary subdivision guarantee listing all trust deed beneficiaries and mortgagees, if any, under prior recorded deeds of trust and mortgages on Owner's Property.

NOW, THEREFORE, in consideration of County approval of certificates of compliance to complete and finalize the above lot line adjustment and the benefits conferred thereby on Owner and Owner's Property, and in further consideration of the mutual promises, covenants and conditions herein contained, the parties hereto agree as follows:

1. Restrictions and obligations. The Owner agrees to each of the following restrictions and obligations affecting the use of Owner's Property:

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(a) Future residential construction on all three parcels will be subject to the ordinance-required level of discretionary land use permits under the San Luis Obispo County Code.

(b) Development on Parcel 1 shall be limited to the designated building envelope shown on Exhibit B attached hereto and incorporated by reference herein as though set forth in full.

2. Indemnification. The Owner shall defend, indemnify and save harmless the County of San Luis Obispo, its officers, agents and employees from any and all claims, demands, damages, costs, expenses, judgments, or liability occasioned by the performance or attempted performance of the provisions hereof, or in any way arising out of this agreement, including, but not limited to, those predicated upon theories of violation of statute, ordinance or regulation, violation of civil rights, inverse condemnation, equitable relief, or any wrongful act or any negligent act or omission to act on the part of the Owner or of agents, employees, or independent contractors directly responsible to the Owner; providing further that the foregoing obligation to defend, indemnify, and save harmless shall apply to any wrongful acts, or any passively negligent acts or omissions to act, committed jointly or concurrently by the Owner, the Owner's agents, employees, or independent contractors and the County, its agents, employees or independent contractors. Nothing contained in the foregoing indemnity provisions shall be construed to require the Owner to indemnify the County against any responsibility or liability in contravention of Section 2782 of the Civil Code.

3. Binding on successors in interest. This agreement shall be deemed an equitable servitude and a covenant running with the land described herein and shall be binding on the parties hereto and their heirs, assigns, and successors in interest.

conveyance, transfer, or sale made by Owner of said property or any portion thereof shall be deemed to incorporate by reference, and be subject to, each of the provisions of this agreement.

4. Effect of waiver. County's waiver of breach of any one term, covenant, or provision of this agreement, shall not be a waiver of a subsequent breach of the same term, covenant, or provision of this agreement or of the breach of any other term, covenant, or provision of this agreement.

5. Judicial enforcement. Enforcement shall be by proceeding at law or in equity, either to restrain a violation or an attempted violation or by suit to recover damages against any person or persons violating or attempting to violate any covenant or restriction contained herein.

6. Law governing and venue. This agreement has been executed and delivered in, and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of California. All duties and obligations of the parties created thereunder are performable in the County of San Luis Obispo, and such County shall be that venue for any action, or proceeding that may be brought, or arise out of, in connection with or by reason of this agreement.

7. Enforceability. If any term, covenant, condition or provision of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

8. Notices. Unless otherwise provided, all notices herein required shall be in writing, and delivered in person or sent by United States first class mail, postage prepaid. Notices required to be given to County shall be addressed as follows: Director

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of Planning and Building, County of San Luis Obispo, County Government Center, Room 300, San Luis Obispo, California 93408. Notices required to be given to the Owner shall be addressed as follows: Jan F. Davis, Post Office Box 308, Templeton, California 93465.

Provided that any party may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

9. Owner not agent of County. Neither Owner nor any of Owner's agents or contractors are or shall be considered to be agents of County in connection with the performance of Owner's obligations under this agreement.

10. Entire agreement and modifications. This agreement sets forth the full and entire understanding of the parties regarding the matter set forth herein, and any other prior or existing understandings or agreements by the parties, whether formal or informal, regarding such matters are hereby superseded or terminated in their entirety. No changes, amendments, or alterations to the provisions of this agreement shall be effective unless in writing and executed by the parties hereto or their assigns and successors in interest.

11. Agreement to be recorded. Owner and County intend and consent to the recordation of this agreement in the office of the County Recorder of the County of San Luis Obispo, and such recordation of this agreement shall serve as constructive notice of the obligations contained herein to be performed by the Owner and the successors in interest to all or any portion of Owner's Property.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

OWNER

By: 
JAN F. DAVIS, SUCCESSOR
TRUSTEE OF THE JAMES
B. DAVIS TRUST DATED
JUNE 25, 1984

COUNTY OF SAN LUIS OBISPO

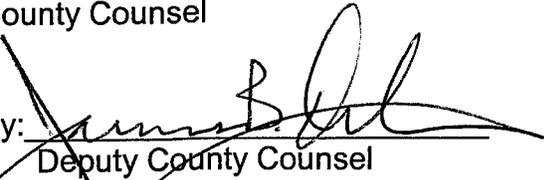
By: _____
Chairperson of the Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

JAMES B. LINDHOLM, JR.
County Counsel

By: 
Deputy County Counsel

Dated: MARCH 30, 2006

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ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN LUIS OBISPO

} SS.

On MARCH 21, 2006

(DATE)

before me, LONNIE E. HUGHES

(NOTARY)

personally appeared JAN F. DAVIS

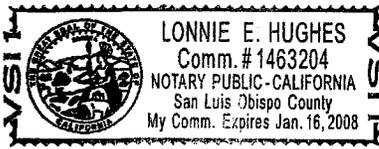
SIGNER(S)

personally known to me

- OR -



proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Lonnie E. Hughes
NOTARY'S SIGNATURE

OPTIONAL INFORMATION

The information below is not required by law. However, it could prevent fraudulent attachment of this acknowledgment to an unauthorized document.

CAPACITY CLAIMED BY SIGNER (PRINCIPAL)

DESCRIPTION OF ATTACHED DOCUMENT

- INDIVIDUAL
- CORPORATE OFFICER

- PARTNER(S)
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____

TITLE OR TYPE OF DOCUMENT

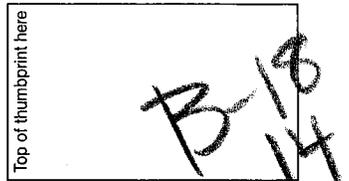
NUMBER OF PAGES

DATE OF DOCUMENT

OTHER

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

RIGHT THUMBPRINT
OF
SIGNER



APPROVED AS TO CONTENT:

VICTOR HOLANDA, AICP
Director of Planning and Building

By: Victor Holanda

Dated: 3-22-06

[NOTE: This Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

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STATE OF CALIFORNIA)
)
COUNTY OF SAN LUIS OBISPO) ss.

On _____, before me, _____,
Deputy County Clerk-Recorder, County of San Luis Obispo, State of California,
personally appeared _____,
personally known to me to be the person whose name is subscribed to the within
instrument and acknowledged to me that he/she executed the same in his/her
authorized capacity, and that by his/her signature on the instrument the person or the
entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

JULIE RODEWALD, County Clerk-Recorder
and Ex-Officio Clerk of the
Board of Supervisors, County of
San Luis Obispo, State of California

By: _____
Deputy County Clerk-Recorder

[SEAL]

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SUBORDINATION AGREEMENT

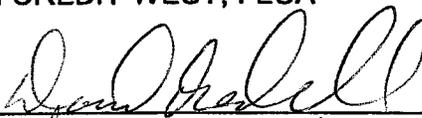
NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT BY BECOMING SUBJECT TO THE TERMS, COVENANTS, CONDITIONS, AND RESTRICTIONS OF THE FOREGOING OPEN-SPACE AGREEMENT GRANTING AN OPEN-SPACE EASEMENT TO THE COUNTY OF SAN LUIS OBISPO. (THIS NOTICE REQUIRED BY CALIFORNIA CIVIL CODE SECTION 2953.3.)

The undersigned, beneficiary under that certain Deed of Trust recorded February 15, 2005, as Document No. 2005-011619, of the Official Records in the office of the County Recorder in the County of San Luis Obispo, State of California, does hereby join in, and consent to, each and all of the terms and provisions of the within open-space agreement, and does hereby subordinate its interests to the entire effect of this open-space agreement.

Dated: 2/10/06.

BENEFICIARY

FARM CREDIT WEST, FLCA

By: 
Its Assistant Vice President

[NOTE: This Subordination Agreement will be recorded. All signatures to this agreement must be acknowledged by a notary.]

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

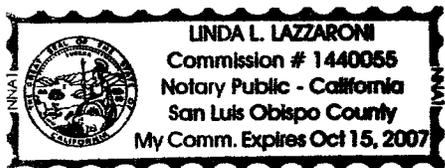
County of San Luis Obispo } ss.

On February 10, 2006, before me, Linda L. Lazzaroni Notary Public

personally appeared David Bedell

personally known to me

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

Linda L. Lazzaroni
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Subordination Agreement

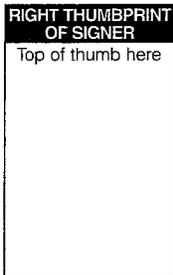
Document Date: 2/10/06 Number of Pages: 1

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: David Bedell

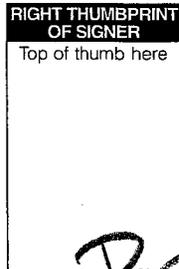
- Individual
- Corporate Officer — Title(s): Asst. Vice Pres.
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: Farm Credit West, FLCA

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

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EXHIBIT A

PARCEL 1:

Portions of Government Lots 1, 2, 3, 4, 5, and the south half of the northwest quarter of Section 33, in Township 28 South, Range 10 East of Mount Diablo Meridian, in the County of San Luis Obispo, State of California, according to the official plat thereof, lying southerly of the following described line:

Commencing at a found one inch iron pipe with nail and tag stamped "RCE 6923" marking the southwest corner of the "Proposed Well Site", as shown on the Record of Survey map filed in Book 12, at page 55 of Licensed Surveys in the Office of the County Recorder of said County, and having grid coordinates of (northing) 2,364,000.27 feet (easting) 5,695,725.44 feet of the California Coordinate System 1983, Zone 5, epoch date 1991.35 adjustment of the High Precision Geodetic Network from which a found 1" iron pipe with a wood plug and nail and being on the northerly extension of the westerly line of said "Proposed Well Site" and drafted as the northwest corner of Section 33, on said Record of Survey and having grid coordinates of (northing) 2,367,894.92 feet (easting) 5,695,743.80 feet of the said California Coordinate System 1983, bears north $00^{\circ}16'12''$ east 3894.69 feet (L1), (N $1^{\circ}15'30''$ W per 12/LS/55);

Thence along the westerly line of said "Proposed Well Site" and it's northerly extension north $00^{\circ}16'12''$ east 1393.48 feet (L2) to a cotton spindle and supertag stamped LS 6192 and the **True Point of Beginning**;

Thence leaving said westerly line extension south $84^{\circ}20'13''$ east 551.78 feet (L3) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south $78^{\circ}17'49''$ east 719.11 feet (L4) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south $58^{\circ}02'36''$ east 1062.84 feet (L5) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south $51^{\circ}09'13''$ east 469.01 feet (L6) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence continuing south $51^{\circ}09'13''$ east 58.74 feet (L7) to a point herein for convenience called Point "A";

Thence continuing south $51^{\circ}09'13''$ east 929.56 feet (L8) to a one inch iron pipe with a plastic cap stamped LS 6192;

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Legal Description (continued)

Thence south 62°04'17" east 841.60 feet (L9) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence continuing south 62°04'17" east 100.00 feet (L10) to a point in the southerly line of said Section 33.

Excepting therefrom that portion lying southerly of the northerly right of way of State Highway 1 as described in the deeds recorded in Book 1290, Page 231 and Book 1244, Page 717 both of Official Records recorded in the Office of the said County Clerk Recorder.

The above described course L3 shall be lengthened and/or shortened so as to begin or end in the westerly line of said Section 33.

Parcel 1 contains 79 acres more or less.

Easement for Access and Public Utilities

Reserving a fifty (50) foot wide strip for access and public utilities, the centerline of said strip more particularly described as follows:

Beginning at the above described Point "A"; Thence south 63°36'39" west 167.85 feet to the beginning of a curve concave to the southeast, having a radius of 275.00 feet;

Thence southwesterly along the arc of said curve through a central angle of 23°25'31" a distance of 112.43 feet;

Thence south 40°11'09" west 155.99 feet to the beginning of a curve concave to the northwest, having a radius of 600.00 feet;

Thence southwesterly along the arc of said curve through a central angle of 12°59'13" a distance of 136.00 feet;

Thence south 53°10'21" west 150.21 feet to the beginning of a curve concave to the southeast, having a radius of 275.00 feet;

Thence southwesterly along the arc of said curve through a central angle of 29°25'26" a distance of 141.23 feet;

Thence south 23°44'55" west 73.52 feet to a point in the northerly right of way of State Highway 1 as shown on the California Department of Transportation Right of Way Map 05-SLO-01, Post Mile 36.1.

The termini of the sidelines of said fifty (50) foot wide strip are to be lengthened or shortened to terminate in the northerly line of the above described Parcel 1, the said northerly right of way, and/or the southerly line of said Section 33.

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Legal Description (continued)

PARCEL 2:

Portions of Government Lots 1, 2, 3, and the south half of the northwest quarter of Section 33 and the northeast quarter of Section 33, in Township 28 south, Range 10 east of Mount Diablo Meridian, in the County of San Luis Obispo, State of California, according to the official plat thereof, lying northerly and westerly of the following described line:

Commencing at a found one inch iron pipe with nail and tag stamped "RCE 6923" marking the southwest corner of the "Proposed Well Site", as shown on the Record of Survey map filed in Book 12, at page 55 of Licensed Surveys in the Office of the County Recorder of said County, and having grid coordinates of (northing) 2,364,000.27 feet (easting) 5,695,725.44 feet of the California Coordinate System 1983, Zone 5, epoch date 1991.35 adjustment of the High Precision Geodetic Network from which a found 1" iron pipe with a wood plug and nail and being on the northerly extension of the westerly line of said "Proposed Well Site" and drafted as the northwest corner of Section 33, on said Record of Survey and having grid coordinates of (northing) 2,367,894.92 feet (easting) 5,695,743.80 feet of the said California Coordinate System 1983, bears north $00^{\circ}16'12''$ east 3894.69 feet (L1), (N $1^{\circ}15'30''$ W per 12/LS/55);

Thence along the westerly line of said "Proposed Well Site" and it's northerly extension north $00^{\circ}16'12''$ east 1393.48 feet (L2) to a cotton spindle and supertag stamped LS 6192 and the **True Point of Beginning**;

Thence leaving said westerly line extension south $84^{\circ}20'13''$ east 551.78 feet (L3) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south $78^{\circ}17'49''$ east 719.11 feet (L4) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south $58^{\circ}02'36''$ east 1062.84 feet (L5) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south $51^{\circ}09'13''$ east 469.01 feet (L6) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence north $01^{\circ}59'24''$ east 2147.21 feet (L7) to a one inch iron pipe with a wood plug and nail as shown on the Record of Survey filed in Book 11, at page 41 of Licensed Surveys in the Office of the County Recorder of said County.

The above described course L3 shall be lengthened and/or shortened so as to begin or end in the westerly line of said Section 33.

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Legal Description (continued)

Parcel 2 contains 87 acres more or less.

PARCEL 3:

Portions of Government Lots 2, 3, 4, 5, the south half of the northwest quarter of Section 33 and the northeast quarter of Section 33, in Township 28 south, Range 10 east of Mount Diablo Meridian, in the County of San Luis Obispo, State of California, according to the official plat thereof, excepting therefrom all that portion lying southerly of the following described line:

Commencing at a found one inch iron pipe with nail and tag stamped "RCE 6923" marking the southwest corner of the "Proposed Well Site", as shown on the Record of Survey map filed in Book 12, at page 55 of Licensed Surveys in the Office of the County Recorder of said County, and having grid coordinates of (northing) 2,364,000.27 feet (easting) 5,695,725.44 feet of the California Coordinate System 1983, Zone 5, epoch date 1991.35 adjustment of the High Precision Geodetic Network from which a found 1" iron pipe with a wood plug and nail and being on the northerly extension of the westerly line of said "Proposed Well Site" and drafted as the northwest corner of Section 33, on said Record of Survey and having grid coordinates of (northing) 2,367,894.92 feet (easting) 5,695,743.80 feet of the said California Coordinate System 1983, bears north 00°16'12" east 3894.69 feet (L1), (N 1°15'30" W per 12/LS/55);

Thence along the westerly line of said "Proposed Well Site" and it's northerly extension north 00°16'12" east 1393.48 feet (L2) to a cotton spindle and supertag stamped LS 6192 and the **True Point of Beginning**;

Thence leaving said westerly line extension south 84°20'13" east 551.78 feet (L3) to a one inch iron pipe with a plastic cap stamped LS 6192 (L1);

Thence south 78°17'49" east 719.11 feet (L4) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south 58°02'36" east 1062.84 feet (L5) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south 51°09'13" east 469.01 feet (L6) to a one inch iron pipe with a plastic cap stamped LS 6192 and to a point herein for convenience called Point "B";

Thence continuing south 51°09'13" east 58.74 feet (L7) to a point herein for convenience called Point "A";

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Legal Description (continued)

Thence continuing south $51^{\circ}09'13''$ east 929.56 feet (L8) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south $62^{\circ}04'17''$ east 841.60 feet (L9) to a one inch iron pipe with a plastic cap stamped LS 6192;

Thence south $62^{\circ}04'17''$ east 100.00 feet (L10) to a point in the southerly line of said Section 33.

Also excepting therefrom that portion lying westerly of the following described line:

Beginning at the above described Point "B";

Thence north $01^{\circ}59'24''$ east 2147.21 feet (L11) to a one inch iron pipe with a wood plug and nail as shown on the Record of Survey filed in Book 11, at page 41 of Records of Surveys in the Office of the County Recorder of said County.

Easement for Access and Public Utilities

Together with a fifty (50) foot wide strip for access and public utilities, the centerline of said strip more particularly described as follows:

Beginning at the above described Point "A"; Thence south $63^{\circ}36'39''$ west 167.85 feet to the beginning of a curve concave to the south, having a radius of 275.00 feet;

Thence southwesterly along the arc of said curve through a central angle of $23^{\circ}25'31''$ a distance of 112.43 feet;

Thence south $40^{\circ}11'09''$ west 155.99 feet to the beginning of a curve concave to the northwest, having a radius of 600.00 feet;

Thence southwesterly along the arc of said curve through a central angle of $12^{\circ}59'13''$ a distance of 136.00 feet;

Thence south $53^{\circ}10'21''$ west 150.21 feet to the beginning of a curve concave to the southwest, having a radius of 275.00 feet;

Thence southwesterly along the arc of said curve through a central angle of $29^{\circ}25'26''$ a distance of 141.23 feet;

Thence south $23^{\circ}44'55''$ west 73.52 feet to a point in the northerly right of way of State Highway 1 as shown on the California Department of Transportation Right of Way Map 05-SLO-01, Post Mile 36.1.

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Legal Description (continued)

The termini of the sidelines of said fifty (50) foot wide strip are to be lengthened or shortened to terminate in the southerly line of the above described Parcel 3, the said northerly right of way, and/or the southerly line of said Section 33.

Parcel 3 contains 262 acres more or less.

All bearings and distances used herein are based on said California Coordinate System 1983, Zone 5.

Multiply distances by 1.000000120 to obtain ground level distances.

End Description

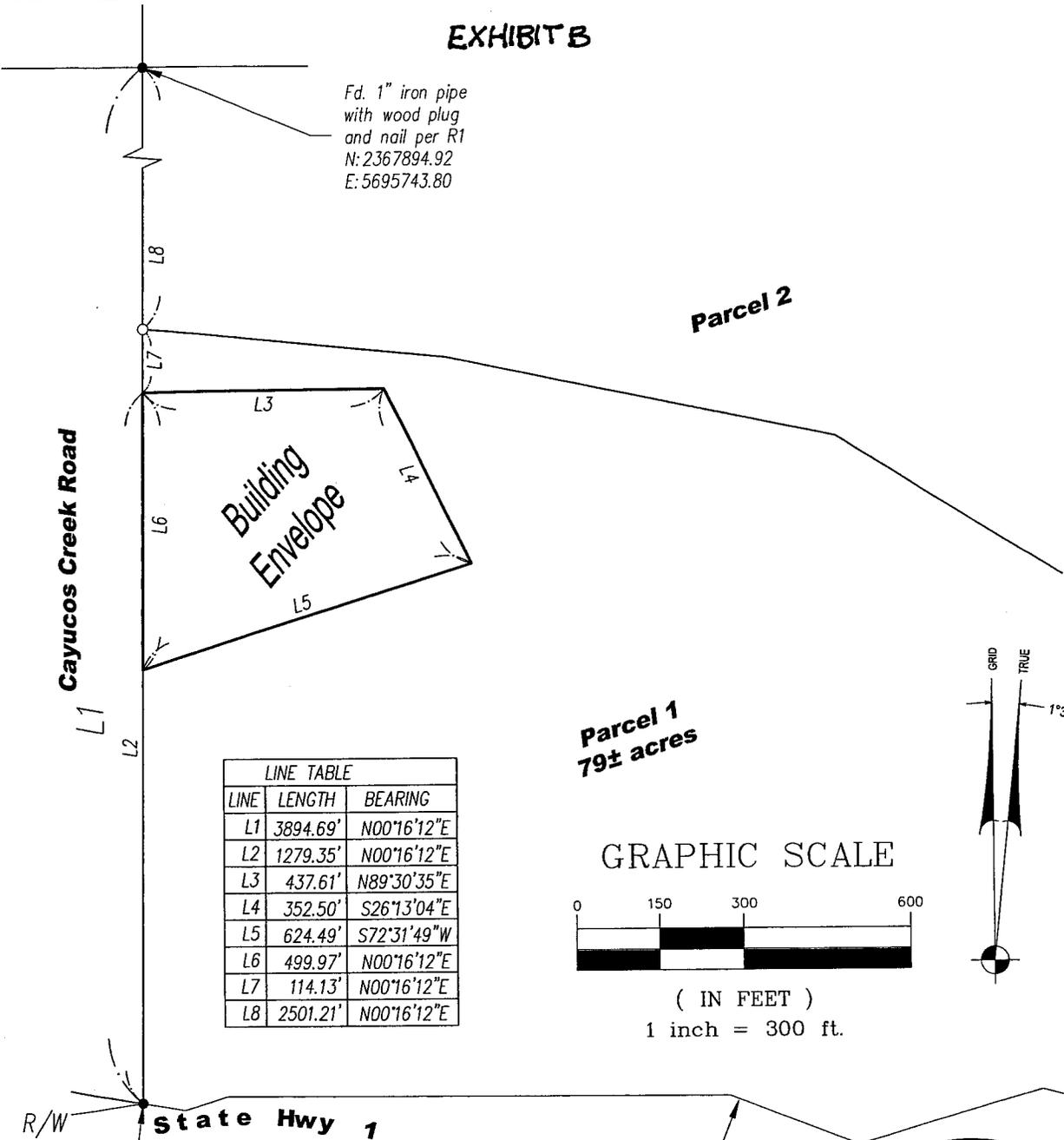


Joseph T. Morris
Joseph T. Morris L.S. 6192
expires 3/31/06

3/8/06
Date

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EXHIBIT B



Fd. 1" iron pipe
with wood plug
and nail per R1
N: 2367894.92
E: 5695743.80

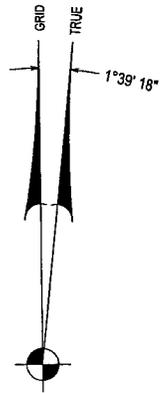
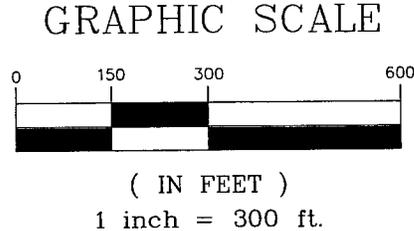
Cayucos Creek Road

Parcel 2

Building Envelope

Parcel 1
79± acres

LINE TABLE		
LINE	LENGTH	BEARING
L1	3894.69'	N00°16'12"E
L2	1279.35'	N00°16'12"E
L3	437.61'	N89°30'35"E
L4	352.50'	S26°13'04"E
L5	624.49'	S72°31'49"W
L6	499.97'	N00°16'12"E
L7	114.13'	N00°16'12"E
L8	2501.21'	N00°16'12"E



R/W State Hwy 1

Fd. 1" iron pipe
with tag "RCE 6923" per R1
N: 2364000.27
E: 5695725.44

Record
Northerly R.O.W.
CA State HWY 1

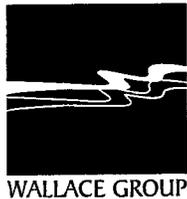
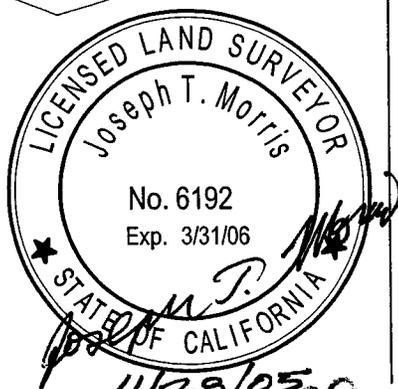
Basis of Bearings

Horizontal positions are based on the California Coordinate System of 1983, zone 5, 1991.35 epoch adjustment of the High Precision Geodetic Network.

Distances shown hereon are grid distances. To convert the shown distances to ground distance multiply by a scale factor of 1.000000120.

Legend:

- Set cotton spindle with supertag stamped "LS 6192"
- Found monument as noted
- R1 12/LS/55



4115 BROAD STREET, SUITE B-5
SAN LUIS OBISPO, CA 93401
T 805 544-4011
F 805 544-4294
www.wallacegroup.us

Exhibit "B"
Parcel 1 COAL 03-237
Building Envelope Exhibit
County of San Luis Obispo, CA

JOB No. :	02980000
DRAWING :	Ex Bld Env
DRAWN BY :	CLB
DATE :	11/2005
SCALE :	1" = 300'