

**RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:**

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA
P.O. BOX 54153
LOS ANGELES, CA 90054-0153
ATTN: CHIEF EXECUTIVE OFFICER

[Space above this line reserved for County Recorder's Use]

FOLLOWING EASEMENT DEED

_____ [Insert Landowner name and entity status] (“Landowner”) hereby grants to THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, a public entity (“Metropolitan”), and the PALO VERDE IRRIGATION DISTRICT, a public entity (“PVID”), an easement on the terms and conditions and for the purposes set forth in this Following Easement Deed (“Following Easement”) in the property located in the County of _____, State of California, and more particularly described in Exhibit A, attached hereto, and shown on Exhibit B, attached hereto (“Landowner’s Program Encumbered Land”).

1. Grant of Easements. Landowner hereby grants to Metropolitan and PVID, their successors and assigns, an easement in gross in, on, over, across and along the Landowner’s Program Encumbered Land for any purpose reasonably necessary for the implementation and enforcement of the Landowner Agreement entered into between [Landowner], Metropolitan and PVID, dated _____, a copy of which is attached hereto as Exhibit C, and incorporated herein by this reference. The purposes authorized under this Following Easement include:

(a) Fallowing. For the purpose of fallowing the Landowner’s Program Encumbered Land as provided under section 5 and subsection 11.1.1.2 of the Landowner Agreement. This Following Easement shall entitle Metropolitan and/or PVID to enter and to exercise the following rights and privileges on the Landowner’s Program Encumbered Land:

(i) Clear, remove, and/or destroy any or all crops or other living vegetation (natural or cultivated) on the Landowner’s Program Encumbered Land, with the exception of established trees that are not irrigated.

(ii) Eliminate and/or prevent the application of water (other than rain water that naturally falls on the Landowner’s Program Encumbered Land); eliminate or prevent the extraction of, or application of groundwater or the use and/or collection of surface water; provided, however, that water may be utilized for dust control in connection with the land management measures specified below.

(iii) Restrict any use of the Landowner's Program Encumbered Land by others, including Landowner and any tenant or lessee of the Landowner's Program Encumbered Land, which may interfere with any of the purposes or actions authorized herein, or any actions necessary or incidental thereto.

(b) Land Management Measures. For the purposes of imposing or performing the land management measures described in Exhibit F to the Landowner Agreement, or restricting any use by others, including Landowner and any tenant or lessee of the Landowner's Program Encumbered Land, which may interfere with any of the land management measures required under subsection 6.4 of the Landowner Agreement.

2. Exercise of Easement.

(a) Triggering Event. This Following Easement implements the provisions of Sections 4.2 and 11.1.1.2 of the Landowner Agreement. Metropolitan's and PVID's rights granted herein to enforce Landowner's obligations to implement and perform fallowing and land management measures shall only be exercisable upon the occurrence of an Event of Default under the Landowner Agreement (including the expiration of any applicable notice and cure periods) with regards to Landowner's failure to fallow the required acres of Program Qualified Land in accordance with Landowner's fallowing obligation thereunder, and only to the extent necessary to cure such Landowner's Default in its obligation for the fallowing of Program Qualified Land under the Landowner Agreement.

(b) Advance Notice. Metropolitan or PVID shall give to Landowner at least five (5) days' notice in writing before entering upon the Landowner's Program Encumbered Land for the purpose of exercising its rights to enforce Landowner's obligations to implement and perform fallowing and land management measures under this Following Easement.

3. Term. This Following Easement and the easements, rights and privileges hereunder granted shall be for a term coinciding with the term of the Landowner Agreement, and shall without any further action on the part of Landowner, Metropolitan or PVID, terminate immediately upon the expiration or earlier termination of the Landowner Agreement.

4. Exclusivity. The rights granted in this Following Easement are nonexclusive, and Landowner reserves the right to the full use and enjoyment of the Landowner's Program Encumbered Land, including, without limitation, the right to use the property for agricultural purposes or to grant other concurrent easements in, or leases of the Landowner's Program Encumbered Land to third parties, provided that such use and enjoyment, third party easements, or leases shall not hinder, conflict, or interfere with the exercise of Metropolitan's or PVID's full use and enjoyment of the easements, rights and privileges granted to Metropolitan and PVID hereunder and shall satisfy all of the conditions for such use provided under the Landowner Agreement. Nothing in this paragraph shall be deemed to authorize the Landowner, or any third party, to transfer or assign the rights to the saved water that is developed through fallowing pursuant to the Landowner Agreement.

5. Payments to Landowner. As consideration for this Following Easement and the saved water developed by Landowner's compliance with its following obligations, Metropolitan shall make payments to Landowner as required under Section 8 of the Landowner Agreement.

6. Indemnification. Metropolitan and PVID (each an "**Indemnifying Party**") shall indemnify, defend (with counsel approved by the Landowner, which approval shall not be withheld unreasonably) and hold Landowner and its [board members, directors, officers,] employees, agents, lessees, and contractors as well as each of their heirs, personal representatives, successors, and assigns (collectively "**Indemnified Party**") harmless from and against all liabilities, penalties, fines, charges, costs, losses, damages, expenses, causes of action, claims, demands, judgments or administrative actions, including, without limitation, reasonable attorneys, fees and costs (collectively "**Liabilities**"), that are proximately caused by intentional misconduct or a negligent act or omission of the Indemnifying Party, its board, officers, employees, agents, lessees, or contractors related to or occurring on or about the Landowner's Program Encumbered Land. This indemnification obligation shall not apply to any loss or damage to crops or vegetation that are destroyed or removed, nor to any loss of water, resulting from the exercise of the easement rights granted herein or from the Landowner's failure to comply with the obligations of the Landowner Agreement.

7. Discretion. Enforcement of the terms of this Following Easement by Metropolitan or PVID shall be at the discretion of Metropolitan or PVID, respectively, and any forbearance by Metropolitan or PVID to exercise its rights under this Following Easement in the event of any default by Landowner under the Landowner Agreement or this Following Easement shall not be deemed or construed to be a waiver by Metropolitan or PVID of such term or of any subsequent default of the same or any other term of the Landowner Agreement or this Following Easement or of any of Metropolitan's or PVID's rights under the Landowner Agreement or this Following Easement. No delay or omission by Metropolitan or PVID in the exercise of any right or remedy upon and default by Landowner shall impair such right or remedy or be construed as a waiver thereof.

8. Remedies. In the event that the Landowner or a third party in possession of the Landowner's Program Encumbered Land interferes with Metropolitan's and/or PVID's rights to fully enforce this Following Easement, Metropolitan and/or PVID may file actions for equitable relief (which may include an ex parte application for a temporary restraining order, preliminary injunction, or permanent injunction, enjoining any such interference or attempted interference, an action for declaratory relief, and an action for specific performance) to restrain any actual or threatened violation or breach of this Following Easement and to compel the following of any portion of the Landowner's Program Encumbered Land as is necessary to cure the failure to follow the required acres of Program Qualified Land in accordance with Landowner's following obligation under the Landowner Agreement, and to enjoin any unauthorized activity committed or permitted that is contrary to the purposes of this Following Easement and the Landowner Agreement. In authorizing resort to an injunction or equivalent action, the Parties recognize and agree (i) that enforcement of the Following Easement is essential to achieve the purposes of the Landowner Agreement; (ii) that a failure to comply with the terms of this Following Easement will cause irreparable harm to Metropolitan; (iii) that the failure of the Landowner to comply with the Following Easement threatens great injury to Metropolitan operations, and that such

injury outweighs any harm the Landowner may suffer as a consequence of Metropolitan or PIVD's pursuing its rights under the Following Easement; and (iv) that because Metropolitan supplies water for the general public, there is a great public interest in ensuring that the terms of the Following Easement are met.

Notwithstanding anything to the contrary in the foregoing, Metropolitan shall give Landowner written notice of any violation and thirty (30) days to correct such violation or if it cannot be cured within such thirty (30) days period, thirty (30) days to commence such cure before filing an action for equitable relief.

9. Default not a basis for Cancellation. No default under this Following Easement shall entitle Landowner to cancel, rescind, or otherwise terminate this Following Easement, provided, however, that this limitation shall not affect, in any manner, any other rights or remedies that the parties to this Following Easement may have by reason of any default under this Following Easement.

10. Reconveyance. Metropolitan and PVID shall execute, deliver and record a reconveyance of this Following Easement (a) as to all of the Landowner's Program Encumbered Land within thirty (30) days of the expiration or earlier termination of the Landowner Agreement, and (b) as to land that is removed as Program Encumbered Land under Section 4.3 (Substitution of Program Encumbered Land) of the Landowner Agreement, promptly on the receipt of, and concurrently with the recording of, the Following Easement for the substituted Program Encumbered Land.

11. Miscellaneous.

(a) Successors. Any covenants, conditions or restrictions contained herein shall run with the land and every portion thereof, and shall inure to the benefit of and be binding upon Landowner, Metropolitan and PVID, and their respective successors and assigns.

(b) Applicable Law. The laws of the State of California shall govern the validity, performance and enforcement of this Following Easement.

IN WITNESS WHEREOF, the undersigned have duly executed this Following Easement as of the day and year first above written.

LANDOWNER

By: _____
Name: _____
Title: _____

Consent of Landowner's Spouse

I acknowledge that the interests conveyed in this instrument are the separate property of my spouse. I have read the foregoing instrument carefully and consent to its execution and performance in all respects.

Dated: _____, 2004

[Signature of Spouse]

Name: _____
[Typed or Printed]

STATE OF _____)

: ss.

COUNTY OF _____)

On _____, 2004, before me, _____, a Notary Public in and for said State, personally appeared [Spouse], 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.

Notary Public

STATE OF _____)

: ss.

COUNTY OF _____)

On _____, 2004, before me, _____, a Notary Public in and for said State, personally appeared [Landowner], 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.

Notary Public

EXHIBIT A

SUBJECT PROPERTY DESCRIPTION

EXHIBIT B

MAP OF LANDOWNER'S PROGRAM ENCUMBERED LAND

EXHIBIT C

LANDOWNER AGREEMENT

(To be attached)