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DEQ Environmental Response & Remediation

201 South Main Street Suite 1800 Salt Lake City, Utah 84111-2218 Post Office Box 45898 Salt Lake City, Utah 84145-0898 Telephone 801 532-1234 Facsimile 801 536-6111 E-Mail: pbl@pblutah.com



A PROFESSIONAL LAW CORPORATION Hal J. Pos

Direct Dial (801) 536-6725 E-Mail HPos@parsonsbehle.com

January 14, 2009

Sandra K. Allen Assistant Attorney General State of Utah 168 North 1900 West, 1<sup>st</sup> Floor Salt Lake City, Utah 84116

SCANNED

DERF

### Re: Wasatch Chemical Superfund Site Environmental Covenant

Dear Sandra:

Enclosed please find a fully executed original of the Environmental Covenant for the Wasatch Chemical Site. Yesterday, we filed an original Environmental Covenant with the Salt Lake County Recorder's Office to be recorded. Once I receive a copy of the recorded Environmental Covenant I will circulate a copy of that to you. Thank you for your assistance in this matter.

If you have any questions, please feel free to call me.

Very truly yours, **RSONS BEHLE & LATIMER** Hal J. Pos

HJP/bcs Enclosure When Recorded Return To: David S. Andersen Questar InfoComm, Inc. 180 East 100 South P.O. Box 45360 Salt Lake City, Utah 84145-0360

With Copy To: Division Director Division of Environmental Response and Remediation Utah Department of Environmental Quality 168 North 1950 West P.O. Box 144840 Salt Lake City, Utah 84114-4840

and

Regional Institutional Control Coordinator, EPR-SR U.S. Environmental Protection Agency 1595 Wynkoop Street Denver, CO 80202

#### **ENVIRONMENTAL COVENANT**

This Environmental Covenant is entered into by Questar InfoComm, Inc. ("Questar InfoComm"), the United States Environmental Protection Agency ("EPA") and the Utah Department of Environmental Quality ("UDEQ") pursuant to Utah Code Ann. §§ 57-25-101 et seq. for the purpose of subjecting the Property described in Paragraph 2 below to the activity and use limitations set forth herein. The EPA and UDEQ each enter into this Environmental Covenant as an agency as defined in Utah Code Ann. § 57-25-102(2). Neither the EPA nor the UDEQ affirmatively assume any obligation through the entry of this Environmental Covenant. The Property is part of the Wasatch Chemical Superfund Site, located at 1987 South 700 West, Salt Lake City, Salt Lake County, Utah, as depicted more particularly on the map attached hereto as Exhibit A and incorporated herein by this reference (the "Site"), and includes certain real property more particularly described on Exhibit B attached hereto and incorporated herein by this reference and in Paragraph 2 below. This Environmental Covenant incorporates and amends the ongoing institutional controls, referred to herein as activity and use limitations, identified in the List and Description of Institutional Controls, which was recorded in the Salt Lake County Recorder's Office (Book 7682 Pages 0014-0021), a copy of which is attached as Exhibit C and incorporated herein by this reference except as amended herein.

Questar InfoComm is the current owner of the Property. Questar InfoComm is the corporate successor by merger to Interstate Land Company, the former Owner Settling Defendant, and a corporate affiliate to Questar Market Resources, Inc., formerly known as Entrada Industries, Inc., the original Owner Settling Defendant under the Consent Decree entered by the United States District Court for the District of Utah, Central Division, in the matter of *Utah Department of Health v. Peter Ng, et al.*, Civil Action No. 86-C-0023G and *United States* 

of America v. Entrada Industries, Inc., et al., Civil Action No. 91-C-1194S (consolidated with Utah Department of Health) (the "Consent Decree") on September 4, 1992. As a result of the transfer in ownership of the Property from Entrada Industries, Inc. to Interstate Land Company on April 16, 1997, the latter assumed the obligations of Entrada Industries, Inc., as Owner Settling Defendant. The Consent Decree was amended by the Court on March 17, 1997 to reflect this change in ownership. On June 1, 2004, Interstate Land Company merged into Questar InfoComm and by operation of law became the new and current owner of the Property. Thus, Questar InfoComm is the corporate successor-in-interest to Interstate Land Company, is a corporate affiliate to Questar Market Resources, Inc., formerly known as Entrada Industries, Inc., and is the successor-in-title of the Property to Entrada Industries, Inc. and Interstate Land Company.

#### **Environmental Response Project**

The Consent Decree required Entrada Industries, Inc. to conduct remedial design and remedial action activities at the Site. Remedial action activities at the Site have included the excavation and treatment of contaminated soils through *in-situ* vitrification, land farming, groundwater extraction and treatment, enhanced *in-situ* bioremediation, monitored natural attenuation and environmental monitoring programs.

In January 1996, the EPA certified the completion of the soil remedial action at the Site. Groundwater extraction and treatment operations began in August 1995. In accordance with a groundwater monitoring plan approved by the EPA, Entrada Industries, Inc. and its successorsin-title to the Property, Interstate Land Company and Questar InfoComm (collectively "QIC"), have collected and analyzed groundwater samples on the Site since March 1995. Based on groundwater monitoring data between May 2004 and April 2007, concentrations of contaminants of concern ("COC") are either below the maximum contaminant levels ("MCL") or the concentration trend is inferred to be asymptotic at a concentration above the MCL according to the EPA Third Five Year Review Report (September 28, 2007, at page 2). In addition, a fifty (50) percent reduction in COC concentrations has been achieved (since the establishment of a groundwater condition baseline in 1995) at most groundwater monitoring stations. Id. The EPA approved the discontinuation of groundwater extraction and treatment in January 2003 because significant reductions in contaminant levels were no longer evident. A monitored natural attenuation program began immediately following the discontinuation of groundwater extraction and treatment at the Site. In an effort to accelerate degradation of chlorinated hydrocarbons at the Site, enhanced biodegradation activities were conducted in May 2004 and July 2006. Monitored natural attenuation, including biannual groundwater monitoring, remain ongoing.

Because hazardous substances, pollutants or contaminants remain at the Site above levels that allow for unrestricted use and unlimited exposure, components of the remedial action also include Proprietary and Governmental Institutional Controls.

Now therefore, Questar InfoComm, the EPA and UDEQ agree to the following:

1. <u>Environmental Covenant</u>. This instrument is an environmental covenant developed and executed pursuant to Utah Code Ann. §§ 57-25-101 *et seq*.

2. <u>Property</u>. This Environmental Covenant concerns the Wasatch Chemical portion of the Wasatch Chemical Superfund Site, an approximately 18 acre site located in an industrial area at 1987 South 700 West, Salt Lake City, Salt Lake County, Utah, as depicted more particularly on the map attached hereto as <u>Exhibit A</u>, and includes certain real property more particularly described on <u>Exhibit B</u> (the "Property").

3. <u>Owner</u>. The owner of the Property is Questar InfoComm, Inc., whose business address is 180 East 100 South, Salt Lake City, Utah 84111. Consistent with Paragraph 6 of this Environmental Covenant, the obligations of Owner are imposed on its assigns and successors in interest, including any Transferee. The term "Transferee" as used in this Environmental Covenant, includes the future owner of any interest in the Property or any portion thereof, including, but not limited to, owners of an interest in fee simple, mortgagees, easement holders and/or lessees.

4. <u>Holders</u>. Owner, Questar InfoComm, whose address is listed above, is the holder of this Environmental Covenant, as defined in Utah Code Ann. § 57-25-102(6). The Holder agrees to enforce the activity and use limitations herein.

Activity and Use Limitations. As part of the remedial action for the Site, the EPA 5. and UDEO determined that certain activity and land use limitations are necessary for the Property in order to notify any future owners who have any interest in the Property, or any portion thereof, that the Property is subject to the Consent Decree, to minimize human exposure to any residual contaminants, to prevent future residential use of the Property and to assure that any future owners of the Property, or any portion thereof, will implement, administer and maintain all activity and land use limitations concerning the Property. The activity and land use limitations are identified in the List and Description of Institutional Controls, which was previously recorded in the Salt Lake County Recorder's Office. This Environmental Covenant amends the List and Description of Institutional Controls to include an additional limitation that addresses potential contaminant vapor intrusion in Paragraph 5.2.10 below and to substitute a new groundwater institutional control in Paragraph 5.3.1 below for the groundwater institutional control in Paragraph 10 of the List and Description of Institutional Controls. Accordingly, Owner agrees to implement, administer and maintain and, in the event that it conveys or transfers an interest in the Property, or any portion thereof, to another party, to take the necessary measures to ensure that such party implements, administers and maintains, the following activity and land use limitations as they pertain to the Property:

#### 5.1. List and Description of Institutional Controls

Owner, or its Transferees, as appropriate, shall comply with the List and Description of Institutional Controls recorded in the Salt Lake County Recorder's Office (Book 7682 Pages 0014-0021), a copy of which is attached as <u>Exhibit C</u> and incorporated herein by this reference, except as otherwise amended herein. If there is a conflict between the activity and use limitations in this Environmental Covenant and the List and Description of Institutional Controls, the provisions of this Environmental Covenant shall control.

#### 5.2. Proprietary Institutional Controls

5.2.1. Owner, or its Transferees, as appropriate, shall maintain the existing fence and associated warning signs surrounding the Property perimeter to restrict access to the Property. The existing six-foot-high, galvanized, chain-link fence contains three strands of barbed wire strung along the top of the fence. Metal warning signs are posted along the fence that read "Keep Out" and "No Trespassing." To maintain these restrictions, Owner, or its Transferees, as appropriate, shall conduct monthly inspections at the Property to assure that the fence and warning signs are in good condition. These Institutional Controls shall remain in effect until the EPA certifies completion of the Remedial Action for Soils, Sludges and Dioxin Removal Wastes and also certifies completion of the Remedial Action for Ground Water, pursuant to paragraph 53 of the Consent Decree.

5.2.2. Owner, or its Transferees, as appropriate, agrees that the Holder, the Settling Defendants (which defendants are Questar Corporation, Questar Gas Company, formerly known as Mountain Fuel Supply Company and Questar Market Resources, Inc., formerly known as Entrada Industries, Inc.), the United States, the State of Utah and their respective representatives, including the EPA and UDEQ and their contractors, shall have access at all times to the Site and any other property to which access is required for the implementation of the Consent Decree. Without limiting the EPA and UDEQ's access rights in the previous sentence, Owner hereby grants to the EPA and UDEQ, their agents, contractors and employees the right to access the Property at all reasonable times for implementation or enforcement of this Environmental Covenant. In addition, Owner hereby grants the Settling Defendants under the Consent Decree and their respective successors, representatives and contractors access to the Property to monitor, sample, implement the remedial action, maintain the existing remedy and to take action necessary to protect public health and the environment. To the extent that the Site or any other property to which access is required for implementation of the Consent Decree is owned or controlled by persons other than Owner, then Owner, or its Transferees, as appropriate, shall use best efforts to secure from such persons access for itself, the Settling Defendants, the United States, the State of Utah and their respective representatives, including the EPA and UDEO and their contractors, as necessary to effectuate the Consent Decree.

5.2.3. The Property is subject to the Consent Decree in United States of America v. Entrada Industries, Inc., et al., Civil Action No. 91-C-1194S and Utah Department of Health v. Peter Ng, et al., Civil Action No. 86-C-0023G and any lien retained by the United States. The Consent Decree was recorded in the Salt Lake County Recorder's Office, Book 6539, Page 2706.

5.2.4. The Property is also subject to a Notice of Obligations to: (i) provide access to the Site under Section XII (Access) of the Consent Decree and (ii) implement, administer and maintain Institutional Controls under Section X (Institutional Controls) of the Consent Decree, which was recorded in the Salt Lake County Recorder's Office at Book 6539, Page 2827. In addition, the Property is subject to the List and Description of Institutional Controls, as amended herein, that lists and describes the Institutional Controls to be implemented, administered and maintained by Questar InfoComm, which was recorded in the Salt Lake County Recorder's Office at Book 7682 Pages 0014-0021).

5.2.5. Owner, or its Transferees, as appropriate, shall prohibit the residential use of the Property.

5.2.6. Owner, or its Transferees, as appropriate, shall provide at least 30days notice to the EPA and UDEQ prior to demolition of Buildings A, B, C, F, G, H, I, J, K, M, N or O and prior to removal of the foundation floors of those buildings at the Property.

5.2.7. In accordance with paragraph 11.c of the Consent Decree, Owner, or its Transferees, as appropriate, of the Property, or any portion thereof, shall, at least 30 days prior to the conveyance of any such interest, give written notice of the Consent Decree to the grantee and written notice to the EPA and UDEQ of the proposed conveyance, including the name and address of the grantee, and the date on which notice of the Consent Decree was given to the grantee. In the event of any such conveyance, the Settling Defendants' obligations under the Consent Decree shall continue to be met by the Settling Defendants. In addition, if the United States approves, the grantee may perform some or all of the Work. In no event shall the conveyance of an interest in the Property that includes, or is a portion of, the Site release or otherwise affect the obligation of the Settling Defendants to comply with the Consent Decree.

5.2.8. Owner, or its Transferees, as appropriate, shall not seek a change to the local zoning master plan or to rezone the Property, or any portion thereof, included within the Site to allow residential use thereof.

5.2.9. If Owner, or its Transferees, as appropriate, is advised by either Salt Lake City Corporation or the Salt Lake City Planning Department of any proposed change in zoning or land use concerning the Property, or any portion thereof, included within the Site, Owner, or its Transferees, as appropriate, shall advise the EPA and UDEQ of such proposal as soon as practicable after learning of such proposal.

5.2.10. Owner, or its Transferees, shall assess the risks related to contaminant vapor intrusion prior to seeking approval of a building permit for any newly-constructed occupied structure on the Property. If there are risks, Owner shall mitigate them. Alternatively, if no risk assessment for contaminant vapor intrusion is conducted, Owner shall install a passive vapor mitigation system on any newly-constructed occupied structure on the Property.

#### 5.3. Governmental Institutional Controls

5.3.1. The Utah Division of Water Rights ("UDWR") has included in its computer system the groundwater area impacted by contamination at and from the Site. The system will produce a warning e-mail notification whenever there is an application to divert water from this impacted groundwater area. The UDWR will send the notification to Owner, the UDEQ and optionally to the EPA. In the event that a diversion application is filed with the UDWR, Owner, or its Transferees, as appropriate, shall file a protest to try to ensure that groundwater beneath the Site is not diverted from the Site.

5.3.2. QIC has provided copies of first quarterly and later biannual ground water monitoring reports to the UDWR since 1995. Questar InfoComm, or its

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Transferees, as appropriate, shall continue to provide to the UDWR copies of biannual ground water monitoring reports prepared in connection with ground water remediation and monitoring at the Site.

6. <u>Running with the Land</u>. This Environmental Covenant shall be binding upon Owner and all assigns and successors in interest, including any Transferee, and shall run with the land, pursuant to Utah Code Ann. § 57-25-105, subject to amendment or termination as set forth herein.

7. <u>Compliance Enforcement</u>. Compliance with this Environmental Covenant may be enforced pursuant to Utah Code Ann. § 57-25-111. Failure to timely enforce compliance with this Environmental Covenant or the activity and use limitations contained herein by any party shall not bar subsequent enforcement by such party and shall not be deemed a waiver of the party's right to take action to enforce any subsequent non-compliance. Nothing in this Environmental Covenant shall restrict the EPA or UDEQ from exercising any authority under applicable law. This Environmental Covenant may also be enforced by the EPA pursuant to the Consent Decree, entered September 4, 1992.

8. <u>Rights of Access</u>. Rights of access to the Holder, the Settling Defendants, the United States, the State of Utah and their respective representatives, including the EPA and UDEQ and their contractors, are set forth more particularly in Paragraph 5.2.2, above.

9. <u>Compliance Reporting</u>. Upon request, Owner shall submit to the EPA and UDEQ written verification of compliance with the activity and use limitations contained herein.

10. <u>Notice upon Conveyance</u>. Each instrument hereafter conveying any interest in the Property or any portion of the Property shall contain a notice of the activity and use limitations set forth in this Environmental Covenant and provide the recorded location of this Environmental Covenant. The notice shall be substantially in the following form:

THE INTEREST CONVEYED HEREBY IS SUBJECT TO AN ENVIRONMENTAL COVENANT, DATED \_\_\_\_\_, 2008, RECORDED IN THE DEED OR OFFICIAL RECORDS OF THE SALT LAKE COUNTY RECORDER ON \_\_\_\_\_\_, 2008, IN [DOCUMENT \_\_\_\_\_, OR BOOK \_\_\_\_\_, PAGE \_\_\_\_\_]. THE ENVIRONMENTAL COVENANT CONTAINS THE FOLLOWING ACTIVITY AND USE LIMITATIONS:

THE LANGUAGE OF PARAGRAPH NO. 5 OF THIS ENVIRONMENTAL COVENANT, ACTIVITY AND USE LIMITATIONS, IS INCORPORATED HEREIN VERBATIM BY REFERENCE.

## 11. <u>Representations and Warranties</u>.

11.1 Questar InfoComm, the successor-in-title to Entrada Industries, Inc. and Interstate Land Company, hereby represents and warrants to the other signatories hereto:

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11.1.1 that Questar InfoComm is the sole fee owner of the Property;

11.1.2. that, except for the (i) interests of Peterson Plumbing Supply, which leases a portion of the Property and owns Buildings C, K and J, (ii) Kepco+ Incorporated, which leases the office building space (Building A) on the Property and (iii) Questar Gas, which leases land on Lot 5 of the Property, Questar InfoComm holds fee simple title to the Property which is free, clear and unencumbered;

11.1.3. that Questar InfoComm has identified all other persons that own an interest in or hold an encumbrance on the Property and has notified such persons that Questar InfoComm's has entered into this Environmental Covenant;

11.1.4 that this Environmental Covenant will not materially violate or contravene or constitute a material default under any other agreement, document or instrument to which Questar InfoComm is a party or by which Questar InfoComm may be bound or affected; and

11.1.5 that to the extent that any other interests in or encumbrances on the Property conflict with the activity and use limitations set forth in this Environmental Covenant, the persons who own such interests or hold such encumbrances have agreed to subordinate such interests or encumbrances to the Environmental Covenant, pursuant to Utah Code Ann. §§ 57-25-103(4)(a).

11.2. Questar InfoComm further represents that it has the power and authority to enter into this Environmental Covenant, to grant the rights and interests herein provided and to carry out all obligations hereunder.

12. <u>Amendment or Termination</u>. This Environmental Covenant may be amended or terminated pursuant to Utah Code Ann. §§ 57-25-109 and 110 and other applicable law. The term "Amendment," as used in this Environmental Covenant, shall mean any changes to the Environmental Covenant, including the activity and use limitations set forth herein, or the elimination of one or more activity and use limitations when there is at least one limitation remaining. The term "Termination," as used in this Environmental Covenant, shall mean the elimination of all activity and use limitations set forth herein and all other obligations under this Environmental Covenant. Within thirty (30) days of signature by all requisite parties on any Amendment or Termination of this Environmental Covenant, Owner, or its Transferees, as appropriate, shall file such instrument for recording in the Salt Lake County Recorder's Office and shall provide a file- and date-stamped copy of the recorded instrument to the EPA, UDEQ and Settling Defendants.

13. <u>Severability</u>. If any provision of this Environmental Covenant is found to be unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

14. <u>Governing Law</u>. This Environmental Covenant shall be governed by and interpreted in accordance with the laws of the State of Utah.

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15. <u>Recordation</u>. Within thirty (30) days after the date of the final required signature upon this Environmental Covenant, Questar InfoComm shall file this Environmental Covenant for recording, in the same manner as a deed to the Property, in the Salt Lake County Recorder's Office.

16 <u>Effective Date</u>. The effective date of this Environmental Covenant shall be the date upon which the fully executed Environmental Covenant has been recorded as a document of record for the Property in the County Recorder.

17. <u>Distribution of Environmental Covenant</u>. Questar InfoComm shall distribute a file- and date-stamped copy of the recorded Environmental Covenant to: the EPA, UDEQ and Settling Defendants.

18. <u>Notice</u>. Unless otherwise notified in writing by or on behalf of a Holder, the EPA or UDEQ, any document or communication required by this Environmental Covenant shall be submitted to:

Owner and Holder: Questar InfoComm, Inc. Attn: Director of Environmental and Safety Services 1140 West 200 South Salt Lake City, Utah 84104

With a copy to

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General Counsel Questar InfoComm, Inc. 180 East 100 South P.O. Box 45360 Salt Lake City, Utah 84145-0360

EPA: Regional Institutional Control Coordinator, EPR-SR U.S. EPA 1595 Wynkoop Street Denver, CO 80202 UDEQ: Brad T. Johnson Utah Department of Environmental Quality Division of Environmental Response and Remediation 168 North 1950 West Salt Lake City, Utah 84116

The undersigned representative of Owner represents and certifies that he is authorized to execute this Environmental Covenant.

**IT IS SO AGREED:** 

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QUESTAR INFOCOMM, INC.

Shahab Saeed, Chief Operating Officer

<u>|2-18-08</u> Date

State of Utah\_\_\_\_\_) ) ss: County of Salt Lake )

Before me, a notary public, in and for said county and state, personally appeared Shahab Saeed, a duly authorized representative of Questar InfoComm, Inc., who acknowledged to me that he did execute the foregoing instrument on behalf of Questar InfoComm, Inc.

IN TESTIMONY WHEREOF, I have subscribed my name and affixed my official seal this  $|\delta$  day of December, 2008.

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Notary Public



4840-3036-9026.7

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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Bill Murray, Director Superfund Remedial Response Program Office of Ecosystems Protection and Remediation U.S. Environmental Protection Agency, Region 8

State of Colorado ) ) ss: County of Denver )

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Before me, a notary public, in and for said county and state, personally appeared Bill Murray, Director of the Superfund Remedial Response Program, Office of Ecosystems Protection and Remediation at the United States Environmental Protection Agency, Region 8, who acknowledged to me that they did execute the foregoing instrument.

IN TESTIMONY WHEREOF, I have subscribed my name and affixed my official seal this day of January, 2009.

Notary Public

## UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY

The Utah Department of Environmental Quality authorized representative identified below hereby approves the foregoing Environmental Covenant pursuant to Utah Code Ann. Sections 57-25-102(2) and 57-25-104(1)(e).

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 $\frac{|z/z_3/z008}{Date}$ 

Name: Brad T Johnson

Title: Director, Division of Environmental Response and Remediation, Utah Department of Environmental Quality

STATE OF UTAH

: ss.

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County of Salt Lake )

Before me, a notary public, in and for said county and state, personally appeared Brad T Johnson, an authorized representative of the Utah Department of Environmental Quality, who acknowledged to me that he did execute the foregoing instrument this  $28^{\circ}$  day of December, 2008.

Notary Public

- 2011 My Commission expires:



EXHIBIT A

**MAP OF PROPERTY** 

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111°54'42.05"W

IFOIQuestarlReports & Memos/Wasatch Chemical Theissen Polygon/Fig WastachSiteMap w grad.mxd 12/17/08 FILE

111 °54'29.75"W

40°43'37.00"N

#### EXHIBIT B

#### **DESCRIPTION OF PROPERTY**

Beginning North 00°00'15" West 1.33 feet from the Southwest corner of Lot 6, Block 1, Five Acre Plat B, Big Field Survey; North 00°00'15" West 285.77 feet; South 89°53'34" East 384 feet; South 175 feet; East 175 feet; South 00°00'15" East 110.77 feet; North 89°53'34" West 559 feet to the point of beginning. VTDI-15-13-351-007-0000.

Beginning 200 feet West from the Northeast corner of Lot 6, Block 1, Five Acre Plat B, Big Field Survey; West 175 feet; South 175 feet; East 175 feet; North 175 feet to the point of beginning. VTDI-15-13-351-006-0000.

Beginning at the Southwest corner of Lot 6, Block 1, Five Acre Plat B, Big Field Survey; North 00°00'15" West 1.33 feet; South 89°53'34" East 559 feet; South 00°00'15" East 1.33 feet; North 89°53'34" West 559 feet to the point of beginning. VTDI-15-13-351-008-0000.

West 559 feet of Lots 4 and 5, Block 1, Five Acre Plat B, Big Field Survey. VTDI-15-13-351-003-0000.

Commencing at the Northwest corner of Lot 3, Block 1, Five Acre Plat B, Big Field Survey; South 89°53'34" East 559 feet; South 00°00'15" East 372.2 feet; North 89°58'30" West 296 feet; North 00°00'15" West 205.62 feet; North 89°53'34" West 263 feet; North 00°00'15" West 167 feet to the point of beginning. VTDI-15-13-351-004-0000.

## EXHIBIT C

## LIST AND DESCRIPTION OF INSTITUTIONAL CONTROLS

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6659923 06/03/97 4:09 PH 27.00 NANCY WORKMAN RECORDER, SALT LAKE COUNTY, UTAH PAROSN BEHLE & LATIMER PO BOX 45898 SLC UT 84145 REC BY:L NISH ,DEPUTY - WI

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#### WHEN RECORDED, RETURN TO:

Hal J. Pos Parsons Behle & Latimer 201 South Main Street, Suite 1800 P.O. Box 45898 Salt Lake City, Utah 84145-0898

#### LIST AND DESCRIPTION OF INSTITUTIONAL CONTROLS

This List and Description of Institutional Controls is executed by Entrada Industries, Inc., the Owner Settling Defendant under the Consent Decree entered by the United States District Court for the District of Utah, Central Division, in the matter of Utah Department of Health v. Peter Ng, et al., Civil Action No. 86-C-0023G and United States of America v. Entrada Industries, Inc., et al., Civil Action No. 91-C-1194S (consolidated with Utah Department of Health) (the "Consent Decree") and is made with respect to the real property referred to as the Wasatch Chemical Superfund Site, located at 1987 South 700 West, Salt Lake City, Salt Lake County, Utah, as depicted more particularly on the map attached hereto as Exhibit "A" and incorporated herein by this reference (the "Site"), and includes certain real property more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference.

In accordance with Paragraph 11.b. of the Consent Decree, Entrada Industries, Inc. is required to prepare and record with the Salt Lake County Recorder's Office, within fifteen (15) days of approval by the United States Environmental Protection Agency ("EPA") of Institutional Controls, this list and description of Institutional Controls to be implemented, administered, and maintained by Entrada Industries ("proprietary Institutional Controls") and this list and description of Institutional Controls relating to ground water which the State of Utah has sole authority to implement, administer, and maintain ("governmental Institutional Controls").

Entrada Industries, Inc., and its successors-in-title (collectively "Entrada Industries"), shall fully implement, administer, and maintain on behalf of all Settling Defendants (Entrada Industries, Inc., Mountain Fuel Supply Company and Questar Corporation) to the Consent Decree all "proprietary Institutional Controls" for the Site required under the Consent Decree. The following proprietary and governmental Institutional Controls have been established for the Site. All Institutional Controls shall be enforced through the Consent Decree.

A more complete description of the Institution Controls for the Site can be found in Appendix A of the Final Design Report for Soil and Appendix A of the Final Design Report for Groundwater, dated September 1996. 299703

#### Proprietary Institutional Controls

Entrada Industries shall maintain the existing fence 1. and associated warning signs surrounding the Site perimeter to restrict access to the Site. The existing six-foot-high, galvanized, chain-link fence contains three strands of barbed wire strung along the top of the fence. Metal warning signs are posted along the fence that read "Keep Out" and "No Trespassing." To maintain these restrictions, Entrada Industries shall conduct monthly inspections at the Site to assure that the fence and warning signs are in good condition. These Institutional Controls shall remain in effect until EPA certifies completion of the Remedial Action for Soils, Sludges, and Dioxin Removal Wastes, and also certifies completion of the Remedial Action for Ground Water, pursuant to paragraph 53 of the Consent Decree.

Settling Defendants agree that the United States, the 2. State of Utah and their respective representatives, including EPA and its contractors, shall have access at all times to the Site and any other property to which access is required for the implementation of the Consent Decree, to the extent access to the property is controlled by the Settling Defendants, for the purposes of conducting any activity related to the Consent Decree. To the extent that the Site or any other property to which access is required for implementation of the Consent Decree is owned or controlled by persons other than the Settling Defendants, the Settling Defendants shall use best efforts to secure from such persons access for the Settling Defendants, as well as for the United States, the State of Utah, and their representatives, including EPA and its contractors, as necessary to effectuate the Consent Decree.

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3. EPA and the Utah Department of Environmental Quality ("UDEQ") have determined that Institutional Controls are necessary to prevent residential use of the property within the Site in the future and to notify any future owners of the property included within the Site of its status as a Superfund Site. These objectives shall be accomplished as follows:

a. Inclusion of a notice in each deed, title, or other instrument conveying an interest in the property included within the Site stating that the property is subject to the Consent Decree in <u>United States of America v. Entrada Industries</u>, <u>Inc., et al.</u>, Civil Action No. 91-C-1194S and <u>Utah Department of Health v. Peter Ng, et al.</u>, Civil Action No. 86-C-0023G, and any lien retained by the United States. The notice shall reference the recorded location of the Consent Decree (Book 6539, Page 2706).

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b. Within 15 days after the entry of the Consent Decree, the Owner Settling Defendant (Entrada Industries, Inc.) recorded with the Recorder's Office, Salt Lake County, Utah (Book 6539, Page 2827) a Notice of Obligations to: (i) provide access to the Site under Section VII (Access) of the Consent Decree, and (ii) implement, administer and maintain Institutional Controls under Section X (Institutional Controls) of the Consent Decree. Within 15 days of approval by EPA of the Institutional Controls pursuant to the Consent Decree and the Statement of Work, Entrada Industries Inc. shall record with the Recorder's Office this list and description of Institutional Controls to be implemented, administered and maintained by Entrada Industries, and this list and description of Institutional Controls relating to ground water which the State of Utah has sole authority to implement, Thereafter, each subsequent deed, title administer and maintain. or instrument conveying an interest in the property included within the Site shall reference the recorded location of such notice and covenants applicable to the property.

c. Inclusion in each deed, title or instrument conveying an interest in the property included within the Site cwned by the Settling Defendants and any other persons, and any person to whom they transfer that property, of a covenant prohibiting residential use of that property.

To meet these objectives with respect to property included within the Site owned by third parties, the Settling Defendants shall sign letter agreements, which need not be recorded, with the other owners of property included within the Site, namely, Alta Industries, Ltd. and Southern Pacific Lines, assuring that those property owners shall implement the Institutional Controls identified in paragraph 3. These notice requirements in paragraph 3 shall remain in effect in perpetuity.

4. Settling Defendants shall provide at least 30-days notice to EPA and UDEQ prior to demolition of Buildings A, B, C, F, G, H, I, J, K, M, N, or O, and prior to removal of the foundation floors of those buildings at the Site. This notice requirement shall remain in effect in perpetuity.

5. In accordance with paragraph 11.a of the Consent Decree, Entrada Industries, Inc. recorded a certified copy of the Consent Decree with the Salt Lake County Recorder's Office within 15 days after entry of the Consent Decree (Book 6539 Page 2706). Entrada Industries, Inc. also prepared and recorded with the Salt Lake Recorder's Office a notice stating that each subsequent deed title or other instrument of conveyance for property included within the Site shall contain a notice stating that the property is subject to the Consent Decree and any lien retained by the 299703 United States and shall reference the recorded location of the Consent Decree and any restrictions applicable to the property under the Consent Decree (Book 6539, Page 2827). This notice requirement shall remain in effect in perpetuity.

In accordance with prragraph 11.c of the Consent ύ. Decree, Entrada Industries, Inc. and any successors-in-title to the property included within the Site shall, at least 30 days prior to the conveyance of any such interest, give written notice of the Consent Decree to the grantee and written notice to EPA and UDEQ of the proposed conveyance, including the name and address of the grantee, and the date on which notice of the Consent Decree was given to the grantee. In the event of any such conveyance, the Settling Defendants' obligations under the Consent Decree shall continue to be met by the Settling Defendants. In addition, if the United States approves, the grantee may perform some or all of the Work. In no event shall the conveyance of an interest in property that includes, or is a portion of, the Site release or otherwise affect the obligation of the Settling Defendants to comply with the Consent Decree. This notice requirement shall remain in effect in perpetuity.

7. Neither Entrada Industries nor the Settling Defendants shall seek a change to the local zoning master plan or to rezone the property included within the Site to allow residential use thereof.

8. To prevent residential use of the property included within the Site in the future, and to notify any future owners of the property included within the Site of its status as a Superfund Site, the Settling Defendants shall, upon approval by EPA of the final Institutional Controls for the Site, use their best efforts to obtain inclusion of a notice in the local zoning master plan or like plan governing land use of the property included within the Site describing its status as a Superfund Site and prohibiting the residential use of that property. In addition, Settling Defendants have advised Salt Lake City Corporation and it has agreed to include as part of the notice in the local zoning master plan or like plan that EPA and UDEQ shall be directly notified by the Salt Lake City Planning Department before any proposed change in zoning or land use concerning the property included within the Site.

9. If Entrada Industries is advised by either Salt Lake City Corporation or the Salt Lake City Planning Department of any proposed change in zoning or land use concerning the property included within the Site, Entrada Industries shall advise EPA and UDEQ of such proposal as soon as practicable after learning of 20070.3 such proposal.

#### Governmental Institutional Controls

10. UDEQ shall request that the State Engineer (and his successor(s)) designate the Site as a restricted area under the Salt Lake Valley Ground Water Management Plan, and deny all requests for development of water rights and granting of well permits within that area. In addition, UDEQ shall request that the State Engineer (and his successor(s)) notify UDEQ within one week after receipt of all such requests. UDEQ shall monitor the processing of all such requests to ensure that the objectives described in paragraph 10 are met.

11. To support designation of the Site as a restricted area under the Salt Lake Valley Ground Water Management Plan, Entrada Industries shall submit to the State Engineer a copy of the Final Remedial Investigation Report, dated March 30, 1990, the Final Additional Studies and Design Basis Report, dated December 24, 1992, the Final Design Report for Soils Remediation, dated July 30, 1993, and the Final Design Report for Ground Water Remediation, dated June 13, 1994. Entrada Industries shall also provide to the State Engineer copies of quarterly ground water monitoring results prepared in connection with ground water remediation at the Site.

DATED this 2d day of May, 1997.

OWNER SETTLING DEFENDANT

ENTRADA INDUSTRIES, INC.

By Clyde m Heiner Hor Hu

ILB Vice President

3K7682760018

STATE OF UTAH } : 88.

COUNTY OF SALT LAKE

On June 2 , 1997, personally appeared before me, Clyde M. Heinor , the Vice Fresident , of Entrada Industries, Inc., who acknowledged that he executed the above instrument.

Delcials Jugensee Residing at: \_

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My Commission Expires:





EXHIBIT B

The following described real property located in Section 23, Township 1 South, Range 1 West, Salt Lake Base and Meridian:

> Beginning North 00°00'15" West 1.33 feat from the Southwest corner of Lot 6, Block 1, Five Acre Plat B, Big Field Survey; North 00°00'15" West 285.77 feet; South 89°53'34" East 384 feet; South 175 feet; East 175 feet; South 00°00'15" East 110.77 feet; North 89°53'34" West 559 feet to the point of beginning. VTDI/15-13-351-007-0000.

 Beginning 200 feet West from the Northeast corner of Lot 6, Block 1, Five Acre Plat B, Big Field Survey; Neat 175 feet; South 175 feet; East 175 feet; North 175 feet
to the point of beginning. VTDI, 15-13-351-006-0000.

3. Beginning at the Southwest corner of Lot 6, Block 1, Five Acre Plat 8, Big Field Survey; North 00°00'15" West 1.33 feet; South 89°53'34" East 559 feet; South 00°00'15" East 1.33 feet; North 89°53'34" West 559 feet to the point of beginning. VTDI.15-13-351-008-0000.

4. , West 559 feet of Lots 4 & 5, Block 1, Five Acre Plat B, Big Field Survey. VTDI-15-13-351-003-0000.

5. Commencing at the Northwest corner of Lot 3, Block 1, Five Acra Plat 8, Big Field Survey; South 89°53'34" East 539 feet; South 00°00'15" East 372.2 feet; North 89°58'30" West 296 feet; North 00°00'15" West 205.62 feet; North 89°53'34" West 263 feet; North 00°00'15" Kest 167 feet to the point of Seginning. VTDI/15-13-351-004-0000.

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