

996270

No delinquent taxes and transfer entered; Certificate of Real Estate Value () filed () not required.

Certificate of Real Estate Value No. 081088

April 19 2006, (Year)

Wayne Stein, County Auditor

by [Signature] Deputy

DEED NO. 56008
BOOK # P 18, PAGE 302
Quit Claim Deed

STATE DEED TAX DUE HEREON: \$778.00

Date: December 2, 2005

IN CONSIDERATION OF TWO HUNDRED THIRTY-SIX THOUSAND AND NO/100 (\$236,000.00) DOLLARS, STATE OF MINNESOTA, a Sovereign body, Grantor, hereby conveys and quit claims to the Ferguson Falls Port Authority, a corporate body politic under the laws of the State of Minnesota, Grantee, real property in Otter Tail County, Minnesota, described as follows:

See attached Exhibit A

Together with all hereditaments and appurtenances belonging thereto. Subject to all easements and licenses of record. Subject to a conservation easement and right of public access and use reserved to the State of Minnesota as prescribed in Exhibits A and B, attached to this deed. Excepting and reserving to the State of Minnesota all minerals and mineral rights in said real property.

THIS CONVEYANCE IS MADE PURSUANT TO SESSION LAWS 2002, CH. 366, SEC. 19.

SELLER CERTIFIES THAT SELLER DOES NOT KNOW OF ANY WELLS ON THE DESCRIBED REAL PROPERTY.

Affix Deed Tax Stamp Here

COUNTY OF OTTER TAIL
STATE OF MINNESOTA
DEED TAX \$ 778.00
NUMBER 237470
DATE 12-18-06 15

STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES
By: [Signature]
James E. Lawler, Assistant Director
Division of Lands and Minerals

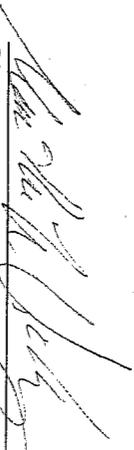
OFFICE OF COUNTY RECORDER
OTTER TAIL MINNESOTA
I hereby certify that
this instrument # 996270
was filed/recorded in this office
for record on the 19th day of
April 2006 at 9:30 am/pm
by: [Signature] Wendy K. Metcalf, County Recorder
[Signature] Deputy
46.000 recording fee
 well certificate

STATE OF MINNESOTA

COUNTY OF Ramsey

The foregoing instrument was acknowledged before me this 2nd day of December, 2005, by JAMES E. LAWLER, Assistant Director, Division of Lands and Minerals of the STATE OF MINNESOTA, DEPARTMENT OF NATURAL RESOURCES, a sovereign body under the laws of Minnesota, Grantor.




 Signature of Person Taking Acknowledgement

This instrument was drafted by:
 Jennifer Emanuel Narveson
 Division of Lands and Minerals
 500 Lafayette Road, Box 45
 St. Paul, MN 55155-4045

Tax Statements for the real property described in this instrument should be sent to:
 Fergus Falls Port Authority
 P.O. Box 868
 Fergus Falls, MN 56538-0868

Approved as to form and execution
 this 31st day of March, 2006
 Mike Hatch, Attorney General

By: 
 Jill Schlick
 Assistant Attorney General

EXHIBIT A

Tract A: The South Half of the Southeast Quarter of Section 28, and the Southwest Quarter of the Southwest Quarter of Section 27, Township 133 North, Range 43 West, lying southwesterly of the Burlington Northern Railroad right-of-way, excepting that part conveyed to Otter Tail Power Company pursuant to Minnesota Laws 1971, chapter 139, described as follows: the West 120 feet and the East 280 feet of the West 400 feet of the North 200 feet of the South Half of the Southeast Quarter of Section 28, Township 133 North, Range 43 West.

Also, the North 330 feet of the Northwest Quarter of the Northeast Quarter of Section 33, Township 133 North, Range 43 West, excepting therefrom the West 120 feet of the North 300 feet of said Northwest Quarter of the Northeast Quarter.

Also, that part of Block 7, "Seminary Reserve," vacated Windsor Street, Fourth Avenue, and Fir Avenue in Wheeler and Rawson's Addition to the city of Fergus Falls, described as follows: Beginning at the northwest corner of the Northeast Quarter of the Northeast Quarter of Section 33, Township 133 North, Range 43 West, thence southerly along the west line thereof to a point 330 feet South of, measured at right angles to the north line thereof; thence easterly 450 feet along a line parallel with and 330 feet South of, measured at right angles to said north line; thence southerly deflecting to the right 90 degrees a distance of 420 feet; thence easterly deflecting to the left 90 degrees a distance of 350 feet to the east line of vacated Fourth Avenue; thence northerly 760 feet along said east line to the north line of said Northeast Quarter of the Northeast Quarter; thence westerly 817 feet along said north line to the point of beginning.

Also, blocks 3 and 3-1/2, the adjacent portions of vacated Hazel Court, vacated Fir Avenue between the east line of Fourth Avenue and the southwesterly right-of-way of the Burlington Northern Railroad, and vacated Second Avenue in Wheeler and Rawson's Third Addition to the city of Fergus Falls lying northerly and westerly of that part previously conveyed to the city of Fergus Falls pursuant to Minnesota Laws 1979, chapter 134, and described in that certain deed filed for record on January 13, 1981, in Book 518 of Deeds, page 555.

Subject to a conservation easement and the right of public access and use reserved by the State of Minnesota, as prescribed in Exhibit B, on that portion of the above described parcel of land lying northerly and easterly of the following described parcel:

Tract B: Commencing at the north quarter corner of Section 33, Township 133 North, Range 43 West; thence on an assumed bearing, based on the survey done by the city engineer for the city of Fergus Falls, of South 00 degrees 44 minutes 36 seconds West 300.03 feet to the point of beginning of the land to be described; thence North 89 degrees 59 minutes 01 seconds East 120.01 feet; thence North 00 degrees 44 minutes 36 seconds East 300.03 feet to the north line of said Section 33; thence North 00 degrees 51 minutes 17 seconds East 455.04 feet; thence North 89 degrees 59 minutes 19 seconds East 779.99 feet; thence South 28 degrees 08 minutes 03 seconds East 515.79 feet to the north line of said Section 33; thence North 89 degrees 59 minutes 01 seconds East 205.14 feet; thence South 01 degrees 08 minutes 08 seconds West 330.19 feet to the north line of the "Tower Road Industrial Park Second Addition;" thence South 89 degrees 59 minutes 19 seconds West 1352.88 feet; thence North 00 degrees 44 minutes 36 seconds East 30.00 feet to the point of beginning,

hereinafter referred to as "Protected Land."

71-003-50-0007-001

71-003-50-0007-900

71-003-50-0006-000

71-003-50-0011-005

EXHIBIT B

COVENANTS

The State intends the rights under this reserved conservation easement to run with and bind the Protected Land in perpetuity:

Residential, Commercial and Industrial Uses

1. The Fergus Falls Port Authority shall not subdivide, either legally or physically, the Protected Land for any reason without the prior written approval of the Commissioner of Natural Resources.
2. No development rights in or to the Protected Land, or any part thereof which have been encumbered or extinguished by these restrictive covenants shall be transferred to any location outside the Protected Land, whether pursuant to a cluster development plan or any other agreement or plan for transferable development rights.
3. There shall be no residential, industrial, or commercial activity undertaken or allowed. With the exception of storm water conveyance, no right of passage across or upon the Protected Land shall be allowed or granted, if that right of passage is used in conjunction with residential, industrial, or commercial activity.
4. No portion of the Protected Land shall be used to satisfy land area requirements for other property not subject to these restrictive covenants for purposes of calculating building density, lot coverage, or open space under otherwise applicable laws, regulations, or ordinances controlling land use.

Construction

5. There shall be no construction or placing of any house, garage, barn, mobile home, or other buildings on the Protected Land. There shall be no construction or installation of poles, antenna, lights, towers, water tower, utility lines, piping, and any other temporary or permanent structures on the Protected Land, except for those structures required for storm water management. There shall be no construction or installation of roads or parking lots of asphalt, bituminous, gravel, concrete or other materials on the Protected Land. There shall be no permanent or temporary fencing without the prior written approval of the Commissioner of Natural Resources.

Public Access and Recreational Use

6. The public will be allowed access to the Protected Land. Public recreational uses that are wildlife compatible and not prohibited under the terms and conditions of this easement shall be permitted.
7. There shall be no developed (paved or graveled) trails established or maintained on the Protected Land, except that mowed trails for nonmotorized recreational uses permitted under this easement may be allowed.
8. There shall be no operation of snowmobiles, dune buggies, motorcycles, all-terrain vehicles, or any other types of motorized vehicles on the Protected Land, except for administrative, emergency, and management purposes.
9. There shall be no camping, picnic areas, or other structured recreational facilities on the Protected Land including, but not limited to, playing fields and playgrounds.
10. There shall be no horseback riding or similar activities permitted on the Protected Land.
11. The Protected Land may be used for hiking, cross country skiing, nature observation and other similar, low-impact, educational and recreational programs or activities.

Surface Alteration

12. The commercial extraction of minerals by surface mining and the extraction and removal of topsoil from the Protected Land is prohibited. The extraction of subsurface or deep-mined minerals from the Protected Land, including natural gas and oil, and the noncommercial extraction of minerals, including limestone, shale, gravel, sand and other minerals is prohibited.
13. There shall be no filling, draining, or dredging or any other change of the topography of the Protected Land in any manner.

Waste Removal

14. Use of the Protected Land for dumping, storage, processing or landfill of solid or hazardous wastes generated is prohibited, including, without limitation, municipal sewage sludge and/or bio-solids application.

Signs

15. Commercial signs, billboards, and outdoor advertising structures may not be displayed on the Protected Land. However, information signage is permitted, subject to the following conditions: The combined area of any signs may not exceed fifty (50) square feet, and the signage is limited to the following purposes:
 - a. Displaying the name of the Protected Land;
 - b. Announcing the existence of these restrictive covenants;
 - c. Providing interpretive and directional information;
 - d. Providing the name and address of the Fergus Falls Port Authority and the State;
 - e. Delineating the boundaries of the Protected Land in order to prohibit trespass or non-permitted activities;
 - f. Providing information with regard to on-site uses and permitted activities.

For all signs permitted by this paragraph, the location, number, size and design must not significantly diminish the natural and scenic qualities of the Protected Land.

Trees, Shrubs and Vegetation

16. There shall be no removal, destroying, burning, cutting, mowing or altering of trees, shrubs, and other vegetation except:
 - a. To maintain existing habitat plantings on the Protected Land.
 - b. To establish new plantings or other activities to enhance wildlife habitat or restore native biological communities may be permitted with prior written approval by the Commissioner of Natural Resources.
 - c. To prevent or control insects, noxious weeds, invasive species, diseases, personal injury, or property damage.

Pesticides and Herbicides

17. There shall be no application of pesticides or herbicides on the Protected Land except those that are necessary as part of the approved activities in paragraph 16 above.

Animals

18. There shall be no livestock, feedlots, domestic or non-native animals permitted on the Protected Land, except that dogs on leash may be permitted.

Agricultural Use

19. There shall be no tilling or plowing or use of the Protected Land for commercial cultivation of crops unless specifically allowed as a vegetation management tool

during phased ecological restoration.

Exotic Species Introduction

20. There shall be no plant or animal species introduced on the Protected Land, except those native species that are consistent with the protective purposes of these restrictive covenants.

GENERAL PROVISIONS

1. This easement shall run with and burden the Protected Land in perpetuity and shall bind and inure to the benefit of the Fergus Falls Port Authority, its successors and assigns, and any and all other successors to it in interest.
2. The Fergus Falls Port Authority agrees that the terms, conditions, restrictions, and purposes of this easement will be referenced by the Fergus Falls Port Authority in any subsequent deed or other legal instrument by which the Fergus Falls Port Authority transfers or divests itself of all or any part of its interest in the Protected Land, including a leasehold interest. The Fergus Falls Port Authority shall give sixty (60) days prior written notification to the State of a transfer of all or any part of its interest in the Protected Land.
3. The Fergus Falls Port Authority maintains all rights accruing from their ownership of the Protected Land including, without limitation, the right to engage in or allow others to engage in all activities or uses of the Protected Land that are not prohibited or limited by this easement and to sell or transfer all or part of the Protected Land subject to the terms and conditions of this easement. The Fergus Falls Port Authority shall inform all others who exercise any right by or through it on the Protected Land of the terms of this easement.
4. This easement shall be governed by the laws of the State of Minnesota.

RESERVATIONS

1. The State reserves, for itself, its successors and assigns a perpetual non-exclusive road easement for ingress and egress to provide for itself and the public access to the Protected Lands over and across Tract B. The specific location of said easement shall be mutually agreed upon by the Fergus Falls Port Authority and the State and the Fergus Falls Port Authority shall execute and deliver to the State a non-exclusive perpetual easement for said access.