SMILAND CHESTER LLP William M. Smiland, Esq., SBN 41928 Theodore A. Chester, Jr., Esq., SBN 105405 601 West Fifth Street, Suite 1100 Los Angeles, California 90071 Telephone: (213) 891-1010 Facsimile: (213) 891-1414	
Attorneys for Claimants Bruce Burrows and 300 A 40 H, LLC	
CURERIOR COURT OF TU	
	IE STATE OF CALIFORNIA LOS ANGELES
COUNTIOF	LOG ANGLELS
Coordination Proceeding Special Title (Rule 1550 (b))	Judicial Council Coordination No. 4408 [Assigned to Hon. Jack Komar; Dept 4408]
) Santa Clara Co. Case No. 1-05-CV-049053
ANTELOPE VALLEY GROUNDWATER CASES	
Included CONSOLIDATED Actions:	DECLARATION OF BRUCE BURROV
Los Angeles County Waterworks District No.) 40 vs. Diamond Farming Company Los Angeles Superior Court Case No. BC325201	
Los Angeles County Waterworks District No.) 40 vs. Diamond Farming Company Kern County Superior Court Case No. S-1500-) CV-254348 NFT	
Diamond Farming Company vs. City of Lancaster Riverside County Superior Court Lead Case No. RIC 344436 [Consolidated w/ Case Nos. 344668 & 353840]	
Willis v. Los Angeles County Waterworks District No. 40; Los Angeles Superior Court Case No. BC 364553	
Wood v. Los Angeles County Waterworks District No. 40; Los Angeles Superior Court	

DECLARATION OF BRUCE BURROWS

I, BRUCE BURROWS, declare:

- 1. I am a party to this action and I am a manager and member of 300 A 40 H LLC ("LLC"), which is also a party to this action. In lieu of deposition testimony for the Phase 4 trial, I am providing this declaration. I have personal knowledge of each fact herein and would testify competently thereto under oath.
- 2. LLC and I presently own, or owned but continue to retain all water rights with respect to, certain land that overlies the Antelope Valley Area of Adjudication as decided by this Court. The land is in Los Angeles County and is identified by the following APNs:
- a. Los Angeles APN: 3275-007-013 (previous APN: 3275-007-010) (the "Alfalfa Property").
- b. Los Angeles APNS: 3275-002-001, 007, 008, 010, 012, 015, 016, 017, 018, 019, and 020 (the "Peaches Property").
 - c. Los Angeles APNS: 3275-007-001, 002 and 015 (the "Other Property").
 - 3. LLC and I claim groundwater rights as to the properties listed in Paragraph 2.
 - 4. For each property identified above, the total acreage by parcel is as follows:
 - a. The Alfalfa Property: approximately 160 acres.
 - b. The Peaches Property: approximately 160 acres.
 - c. The Other Property: approximately 436 acres.
- 5. LLC and I have owned the Alfalfa Property from February 2, 2007 to the present. Prior to that time the Alfalfa Property was owned by Tejon Ranchcorp, a California corporation ("Tejon"). A true and correct copy of the February 2, 2007 Grant Deed for the Alfalfa Property is included in Exhibit A hereto. Tejon leased the Alfalfa Property from LLC and me from February 2007 through 2011. A copy of the Memorandum of Lease for the Alfalfa Property is included in Exhibit A hereto. The Alfalfa Property was farmed, by means of pivot irrigation, for the period from 2002 through 2011.
- 6. LLC and I acquired the Peaches Property in the mid-1980s. LLC and I transferred the Peaches Property to Tejon on February 2, 2007, and then leased the Peaches Property back from Tejon. True and correct copies of the Grant Deed and the Memorandum of

Lease for the Peaches Property are included in Exhibit A hereto. As set forth in the Grand Deed, LLC and I retained "All right, benefit and interest in and to the water rights associated with the above-described property either as they exist now or shall be determined to exist in the future, including the right to transfer said water right away from the above-described property, without limitation." I planted approximately 80 acres of peaches on the Peaches Property in about 1990, and thereafter I have managed the 80-acre peaches orchard, including causing it to be regularly irrigated. Additionally, I planted and caused to be irrigated on the Peaches Property approximately 10 acres of cottonwood and other trees for windbreak purposes.

- LLC and I acquired various portions of the Other Property over time. To my knowledge, no irrigated crops have been grown on the Other Property.
- 8. Approximately 126 acres of the Alfalfa Property has been used to farm alfalfa, with pivot irrigation, each year from 2002 through 2011. Based on the crop duties identified in the Summary Expert Report, Appendix D-3: Table 4, a true and correct copy of which is attached hereto as Exhibit B ("Table 4 Water Duties"), using a crop water duty of 6.5 acre-feet per acre, I have calculated the groundwater use for the Alfalfa Property to be 819 acre-feet for each of the years 2002 through 2011.
- 9. Approximately 80 acres of the Peaches Property has been farmed as a peaches orchard from before 2000 through the present. Also, about 10 acres of the Peaches Property has been used to grow cottonwood and other trees for windbreak purposes for that same period. Based on the Table 4 Water Duties, using a crop water duty of 4.9 acre-feet per acre, I have calculated the groundwater use for the Peaches Property to be 441 acre-feet for each of the years from 2000 to the present.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 14 day of March, 2013, at Valencia, California.

BRÚCE BÚRROWS

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Pages: 003

Recorder's Office, Los Angeles County, California

02/06/07 AT 08:00AM

Taxes. NFPR

Other NFPR

Paid, NFPR

NFPR

TitleCompany

DEED TITLE(S):

Assessor's Identification Number (AIN) To be completed by Examiner OR Title Company in black ink.

Number of AIN's Shown

RECORDING REQUESTED BY

First American Title Insurance Company National Commercia: Services

AND WHEN RECORDED MAIL TO:

	02/08/07	
200	70256	642

Tejon Ranchcorp 4436 Lebec Road Lebec, California 93243 Attn: Robert Peterson	Space Above This Line for Recorder's Use Only
	Spece Nove Tills Line 15. Needled 1 Cal Stray
A.P.N.: 3275-002-001 and 3275-00 008, 010, 012, 015, 016, 017, 018, 020	w ·
	GRANT DEED
[X] computed on the consideration	IENTARY TRANSFER TAX \$; CITY TRANSFER TAX \$0.00; or full value of property conveyed, OR or full value less value of ilens and/or encumbrances remaining at time of safe, of Los Angeles, and
FOR A VALUABLE CONSIDERATION limited liability company	receipt of which is hereby acknowledged, 300 A 40 H LLC, a California
hereby GRANTS to Tejon Rancho	rp, a California corporation
the following described property in	he unincorporated area, County of Los Angeles, State of California:
PARCEL 1: (3275-002-001	
DARCEL A.	

THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL B:

AN EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTH 40 FEET, THE NORTH 32 FEET AND THE EAST 50 FEET OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL C:

AN EASEMENT FOR INGRESS AND EGRESS OVER THE EAST 50 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 2: (3275-002-012)

Mail Tax Statements To:	SAME AS ABOVE

File No.: NCS-220348-LA2 (jc

Date: 02/02/2007

THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL 3: (3275-002-018)

THE WEST HALF OF THE NORTHEAST QUARTER OF NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 4: (3275-002-015)

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 5: (3275-002-016)

THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 6: (3275-002-017)

THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 7: (3275-002-010)

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDING MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 8: (3275-002-008)

THE WEST HALF (W½) OF THE NORTHWEST QUARTER (NW¼) OF THE NORTHEAST—QUARTER (NE¼) OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO BASE AND MERIDIAN, CONTAINING 20 ACRES, MORE OR LESS.

PARCEL 9: (3275-002-019 & 3275-002-020)

THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL 10: (3275-002-007)

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A.P.N.: 3275-002-001 and 3275-002-007, 008, 010, 012, 015, 016, 017, 018, 019,

020

Grant Deed - continued

File No.: NCS-220348-LA2

(jc)

Date: 02/02/2007

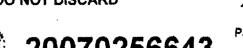
THE EAST HALF (E½) OF THE NORTHWEST QUARTER (NW¼) OF THE NORTHEAST QUARTER (NE¼) OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO BASE AND MERIDIAN, CONTAINING 20 ACRES, MORE OR LESS.

EXCEPTING THEREFROM, GRANTOR SHALL RETAIN FROM ALL OF THE PARCELS SET FORTH ABOVE ALL RIGHT, BENEFIT AND INTEREST IN AND TO THE WATER RIGHTS ASSOCIATED WITH THE ABOVE-DESCRIBED PROPERTY EITHER AS THEY EXIST NOW OR SHALL BE DETERMINED TO EXIST IN THE FUTURE, INCLUDING THE RIGHT TO TRANSFER SAID WATER RIGHTS AWAY FROM THE ABOVE-DESCRIBED PROPERTY, WITHOUT LIMITATION.

THE FOREGOING GRANT OF PARCELS 1 THROUGH 10 IS SUBJECT, HOWEVER, TO COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, RIGHTS AND RIGHTS OF WAY OF RECORD.

Dated: February 2, 2007	
300 A 40 H LLC, a California limited liability company	
By: Sur frums Bruce Burrows	
its: Manager and Member	
STATE OF California)SS COUNTY OF Las Angeles)	
On February 2, 2007 before n Notary Public, personally appeared	nersonally known to me
	to be the person(s) whose name(x) is/are subscribed to /she/they executed the same in his/her/their authorized he instrument the person(s) or the entity upon behalf of
WITNESS my hand and official seal.	NICO JUSTIN Commission # 1449891 Notary Public - Commission Los Angeles County
Signature	My Comm. Expires Dec 8, 2007
- valedustro	
My Commission Expires: December 5, 2007	This area for official notarial seal
Notary Name: Neo Justin	Notary Phone:County of Principal Place of Business:os Angeles
Notary Registration Number: 1449891	County of Chilobar Land or Barrier Company

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Pages: 002

Recorder's Office, Los Angeles County. California

Texes, NFPR

Other: NFPR Peld. NFPR

NFPR

TitleCompany

02/06/07 AT 08:00AM

DEED TITLE(S):

Assessor's Identification Number (AIN) To be completed by Examiner OR Title Company in black ink. Number of AIN's Shown

RECORDING REQUESTED BY

First American Title Insurance Company National Commercial Services

AND WHEN RECORDED MAIL TO:

300 A 40 H LLC

c/o Raines Law Group LLP 12011 San Vicente Boulevard, Suite 330 Los Angeles, California 90049

Attn: Andrew H. Raines, Esq.



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A.P.N.: 3275-007-001 and 3275-007-010

File No.: NCS-220347-LA2 (Ic)

GRANT DEED

The !	Undersign	red Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX \$; CITY TRANSFER TAX \$0.00;
[X	1	computed on the consideration or full value of property conveyed, OR
ř	ī	computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale
X]	j	unincorporated area; [] City of unincorporated area, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Tejon Ranchcorp, a California corporation

hereby GRANTS to 300 A 40 H LLC, a California limited liability company

the following described property in the unincorporated area, County of Los Angeles, State of California:

PARCEL 2 OF THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED DECEMBER 4, 2006 AS INSTRUMENT NO. 06-2685783 OF OFFICIAL RECORDS AND BEING FURTHER DESCRIBED AS FOLLOWS:

THE SOUTHEAST QUARTER OF SECTION 10, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

TOGETHER WITH THE SOUTHWESTERLY QUARTER OF SECTION 11, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN.

TOGETHER WITH ALL RIGHT, BENEFIT AND INTEREST IN ANY WATER RIGHTS ASSOCIATED WITH THE ABOVE-DESCRIBED PROPERTY WHETHER EXISTING NOW THROUGH PAST ACTIVITIES OF GRANTOR, OR AS SUBSEQUENTLY ESTABLISHED BY GRANTEE.

EXCEPTING THE PIVOT IRRIGATION SYSTEM AND APPURTENANCES CURRENTLY EXISTING ON SAID SOUTHWEST QUARTER OF SECTION 11.

SUBJECT, HOWEVER, TO COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, RIGHTS AND RIGHTS OF WAY OF RECORD WHICH DO NOT INCLUDE ANY WATER RIGHTS.

PROVIDED, FURTHER, THAT NO WARRANTIES OF TITLE WHATSOEVER ARE MADE BY GRANTOR RESPECTING THE PORTION OF THE REAL PROPERTY DESCRIBED ABOVE LYING WITHIN SAID SECTION 10.

Dated:	February	7	2007	
Daleu.	LENINGLA		LVVI	

Mail Tax Statements To:	SAME AS ABOVE	

A.P.N.: 3275-007-001 and 3275-007-010

Grant Deed - continued

File No.: NCS-220347-LA2

(jc) Date: **02/02/2007**

Tejon Ranchcorp, a California Corporation	
By: Denon Allenson	
its: <u>Vice President</u>	
STATE OF <u>California</u>)SS COUNTY OF Kecn)	
	me, Konnie Sue Williams-Roth , personally known to me
(or proved to me on the basis of satisfactory evidence the within instrument and acknowledged to me that he) to be the person(s) whose name(s) is/are subscribed to e/she/they executed the same in his/her/their authorized the instrument the person(s) or the entity upon behalf of
WITNESS my hand and official seal.	KONNIE SUE WILIAMS-ROTH Commission # 1479373 Notory Public - Cottomic
Signature Kannie Sue Williams Roth	My Comm. Expires Mar 28, 2008
My Commission Expires: March 28, 2008	This area for official notarial seal
Notary Name: Konnie Sue Williams-Roth Notary Registration Number: 1479373	Notary Phone: 661 248 3000 County of Principal Place of Business: Kern

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Pages: 006

Recorded/Filed in Official Records Recorder's Office, Los Angeles County,

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02/06/07 AT 08:00AM

Taxes, \$44.00

Other: \$0.00

Paki. \$0.00

\$44.00

TitleCompany

TITLE(S):

Assessor's Identification Number (AIN) To be completed by Examiner OR Title Company in black ink. Number of AlN's Shown

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Tejon Rancheorp 4436 Lebec Road Lebec, California 93243 Attn: Robert Peterson

(Space Above for Recorder's Use Only)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this "Memorandum") is entered into as of the 5 day of February, 2007 (the "Effective Date"), by and between 300 A 40 H, LLC, a California limited liability company ("Burrows") and Tejon Ranchcorp, a California corporation ("Tejon").

- 1. Terms and Leased Premises. As of the Effective Date and concurrent with the Closing of that certain parcel exchange as further defined in that certain letter agreement between Tejon and Burrows dated as of March 1, 2006 (the "Letter Agreement"), Burrows hereby leases the Leased Premises (as further described in Exhibit A attached hereto and incorporated herein) to Tejon for a term of five (5) years, with the option to extend the term of the lease for five (5) additional terms of one (1) year each, which options shall be deemed exercised unless on or before March 1st of a year in which the lease would expire, either (a) Tejon delivers notice to Burrows electing not to extend the term of the lease, or (b) Burrows delivers notice to Tejon electing to cancel the lease (the "Tejon Lease"). The Tejon Lease shall expire on the April 30th following delivery of either notice. The provisions of the Tejon Lease as set forth in the Letter Agreement are incorporated herein.
- 2. <u>Burrows Right to Terminate</u>. Notwithstanding anything to the contrary, Burrows may elect to cancel the Tejon Lease at any time during its five (5) year initial term or any extension thereof if substantially the entire Leased Premises has been general planned and zoned for residential or commercial development and Burrows is ready to commence construction, upon no less than sixty (60) days' prior notice to Tejon, provided that Burrows will grant to Tejon sufficient time to harvest its crops prior to vacating (in no event to exceed ninety (90) days following delivery of such notice to terminate).
- 3. <u>Permitted Use</u>. The sole permitted use of the Leased Premises is farming as currently conducted with the existing pivot currently located on the Leased Premises, and any other use is prohibited.
- 4. Rent. No rent or other charges shall be due or owing for the Tejon Lease. The parties acknowledge that as sufficient consideration for the Tejon Lease, Tejon has agreed to enter into the "Burrows Lease", as such term is defined in the Letter Agreement.
- 5. <u>Surrender of the Leased Premises</u>. Prior to the expiration of the Tejon Lease, Tejon shall remove the existing irrigation pivot and all related equipment from the Leased Premises, and shall deliver it to Burrows in clean and current condition with all trash removed.

- 6. <u>Provisions Binding on Parties</u>. The provisions of the Tejon Lease to be performed by Tejon or Burrows are intended to and shall bind or benefit the respective parties and their assigns or successors, as applicable, at all times.
- 7. <u>Purpose of Memorandum of Lease</u>. The above terms are provided for notice purposes only. Reference is hereby made to the Tejon Lease, as set forth in the Letter Agreement, for full and complete terms with respect to the leasing of the Leased Premises.
- 8. Counterparts. This Memorandum may be executed in one or more counterparts, all of which shall be considered one and the same agreement.

BURROWS:	TEJON:
300 A 40 H, LLC, a California limited liability company	TEJON RANCHCORP, a California corporation
By: Sun Julian Bruce Burlows, Manager and Member	Ву:
Manager and Member	lts:

- 6. <u>Provisions Binding on Parties</u>. The provisions of the Tejon Lease to be performed by Tejon or Burrows are intended to and shall bind or benefit the respective parties and their assigns or successors, as applicable, at all times.
- 7. Purpose of Memorandum of Lease. The above terms are provided for notice purposes only. Reference is hereby made to the Tejon Lease, as set forth in the Letter Agreement, for full and complete terms with respect to the leasing of the Leased Premises.
- 8. <u>Counterparts.</u> This Memorandum may be executed in one or more counterparts, all of which shall be considered one and the same agreement.

BURROWS:	TEJON:
300 A 40 H, LLC, a California limited liability company	TEJON RANCHCORP, a California corporation
By:Bruce Burrows,	By: Denni Man

NOTARY ACKNOWLEDGMENT

STATE OF CALIFORNIA) }ag
COUNTY OF Los Angeles)
On 2/2, 200' Public in and for said County and S	7 before me, Notary tate, personally appeared Bruce Burrous
instrument and acknowledged to authorized capacity (lws), and that by	personally known to me (or proved to me on the the person(s) whose name(s) is/are subscribed to the within me that he/sho/they executed the same in his/her/their y his/her/their signature(s) on the instrument the person(s), or person(s) acted, executed the instrument.
WITNESS my hand and official sea	Notary Public - California Loe Angelee County My Comm. Expires Dec 5, 2007
Signature of Notary	[Notary Seal]
STATE OF))ss.)
On, 200' Public in and for said County and S	7 before me,, Notary tate, personally appeared
basis of satisfactory evidence) to be instrument and acknowledged to authorized capacity(ies), and that b	personally known to me (or proved to me on the the person(s) whose name(s) is/are subscribed to the within me that he/she/they executed the same in his/her/their y his/her/their signature(s) on the instrument the person(s), or person(s) acted, executed the instrument.
WITNESS my hand and official sea	il.
Signature of Notary	[Notary Seal]

0256644

NOTARY ACKNOWLEDGMENT

STATE OF CALIFORNIA)			
COUNTY OF)ss.)			
On, 20 Public in and for said County and				, Notary
basis of satisfactory evidence) to instrument and acknowledged authorized capacity(ies), and that the entity upon behalf of which the	be the person to me that by his/her/the	ersonally knowings) whose name he/she/they exe eir signature(s)	e(s) is/are subscri ecuted the same on the instrument	in his/her/their
WITNESS my hand and official s	cal.			
Signature of Notary	All the special sections and the section sections are sections as the section section section section sections		[Notary Seal]
STATE OFCalifornia))ss.			
COUNTY OF Kern	_)			
On <u>February 2</u> , 20 Public in and for said County and Dennis Atkanson	State, persona	. <u>Konnie Sue</u> ally appeared	Williams-Roth	, Notary
basis of satisfactory evidence) to instrument and acknowledged tauthorized capacity(ies), and that the entity upon behalf of which the	be the person o me that I by his/her/the	(s) whose name ne/she/they exe ir signature(s) o	(s) is/are subscricuted the same on the instrument	in his/her/their
WITNESS my hand and official so	cal.		KONNIE BIE WILLIAMS Commission # 147 Notary Public - Call Kern County Ay Comm. Expires Mar [Notary Scal]	9373 tomici 28, 2006

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EXHIBIT A

Legal Description of Leased Premises

THE SOUTHWESTERLY QUARTER OF SECTION 11, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN.

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56645 Pages:

Recorded/Filed in Official Records Recorder's Office, Los Angeles County, California

Texes, \$47.00

Other. \$0.00

Paid. \$0.00

02/06/07 AT 08:00AM

\$47.00

TitleCompany

TITLE(S):



Assessor's Identification Number (AIN)

To be completed by Examiner OR Title Company in black ink.

Number of AIN's Shown



RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Raines Law Group LLP 12011 San V.cente Blvd., Suite 330 Los Angeles, California 90049 Attn: Andrew H. Raines, Esq.

(Space Above for Recorder's Use Only)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this "Memorandum") is entered into as of the 5 day of February, 2007 (the "Effective Date"), by and between Tejon Ranchcorp, a California corporation ("Tejon"), and 300 A 40 H, LLC, a California limited liability company ("Burrows").

- 1. Terms and Leased Premises. As of the Effective Date and concurrent with the Closing of that certain parcel exchange as further defined in that certain letter agreement between Tejon and Burrows dated as of March 1, 2006 (the "Letter Agreement"), Tejon leases the Leased Premises (as further described in Exhibit A attached hereto and incorporated herein) to Burrows for a term of five (5) years, with the option to extend the term of the lease for ten (10) additional terms of one (1) year each, which options shall be deemed exercised unless on or before March 1st of a year in which the lease would expire, Burrows delivers notice to Tejon electing not to extend the term of the lease (the "Burrows Lease"). The Burrows Lease shall expire on the April 30th following delivery of such notice. The provisions of the Burrows Lease as set forth in the Letter Agreement are incorporated herein.
- 2. <u>Burrows Right to Terminate</u>. Notwithstanding anything to the contrary, Burrows may terminate the Burrows Lease prior to the end of the initial five (5) year term or prior to the end of any additional option period by delivery to Tejon of a thirty (30) day written notice of such termination.
- 3. Permitted Use. The permitted use of the Leased Premises is farming as currently conducted, and making any and all use of water and any utilities necessary or incident to the transport of water, and the preservation, establishment and determination of any water rights owned by Burrows (which rights shall belong in perpetuity to Burrows at no charge to Burrows), and any other use is prohibited.
- 4. Rent. No rent or other charges shall be due or owing for the Burrows Lease. The parties acknowledge that as sufficient consideration for the Burrows Lease, Burrows has agreed to enter into the "Tejon Lease", as such term is defined in the Letter Agreement.
- 5. <u>Burrows Water Rights.</u> Notwithstanding anything to the contrary in the Burrows Lease or in the Tejon Lease, prior to and following the "Closing Date", as such term is defined in the Letter Agreement, Burrows shall continue to possess and retain all right, benefit and interest in and to the water rights and transferable water rights on the Leased Premises (the "Burrows Water Rights") and shall additionally obtain as of the Closing Date the water, mineral,

gas, oil and all other rights inherent in fee simple ownership on the "Tejon Parcel" (as defined in the Letter Agreement). Both prior to and following the Closing Date, Tejon agrees to reasonably cooperate with and to not interfere with Burrows in the determination of the Burrows Water Rights, to take any actions necessary to preserve or maintain the Burrows Water Rights, and to refrain from taking any actions which would in any manner materially interfere with the existence or maintenance of the Burrows Water Rights, at no cost or expense to Tejon. Tejon further agrees that Burrows possesses and will continue to possess full right, title and interest in and to the Burrows Water Rights (irrespective of the existence or subsequent termination of the Burrows Lease) including, without limitation, the right to transfer the Burrows Water Rights away from the Leased Premises, shall reasonably cooperate with Burrows in any such transfer and shall execute such documents as may reasonably be required in connection therewith, at no cost or expense to Tejon.

- 6. <u>Surrender of the Leased Premises</u>. Prior to the expiration of the Burrows Lease as it may be extended, Burrows shall, at its sole expense, remove all fruit trees and their stumps from the Leased Premises, and shall plow the parcel so it does not contain craters where the fruit tree stumps were removed. Burrows shall deliver the Leased Premises to Tejon in clean condition with all trash removed.
- 7. <u>Provisions Binding on Parties.</u> The provisions of the Burrows Lease to be performed by Tejon or Burrows are intended to and shall bind or benefit the respective parties and their assigns or successors, as applicable, at all times.
- 8. <u>Purpose of Memorandum of Lease</u>. The above terms are provided for notice purposes only. Reference is hereby made to the Burrows Lease, as set forth in the Letter Agreement, for full and complete terms with respect to the leasing of the Leased Premises.
- 9. <u>Counterparts.</u> This Memorandum may be executed in one or more counterparts, all of which shall be considered one and the same agreement.

TEJON:	BURROWS:
TEJON RANCHCORP, a California corporation	300 A 40 H, LLC, a California limited liability company
By: Dinni Allinon	By:Bruce Burrows,
lts: Vica President	Manager and Member

gas, oil and all other rights inherent in fee simple ownership on the "Tejon Parcel" (as defined in the Letter Agreement). Both prior to and following the Closing Date, Tejon agrees to reasonably cooperate with and to not interfere with Burrows in the determination of the Burrows Water Rights, to take any actions necessary to preserve or maintain the Burrows Water Rights, and to refrain from taking any actions which would in any manner materially interfere with the existence or maintenance of the Burrows Water Rights, at no cost or expense to Tejon. Tejon further agrees that Burrows possesses and will continue to possess full right, title and interest in and to the Burrows Water Rights (irrespective of the existence or subsequent termination of the Burrows Lease) including, without limitation, the right to transfer the Burrows Water Rights away from the Leased Premises, shall reasonably cooperate with Burrows in any such transfer and shall execute such documents as may reasonably be required in connection therewith, at no cost or expense to Tejon.

- 6. <u>Surrender of the Leased Premises</u>. Prior to the expiration of the Burrows Lease as it may be extended, Burrows shall, at its sole expense, remove all fruit trees and their stumps from the Leased Premises, and shall plow the parcel so it does not contain craters where the fruit tree stumps were removed. Burrows shall deliver the Leased Premises to Tejon in clean condition with all trash removed.
- 7. <u>Provisions Binding on Parties</u>. The provisions of the Burrows Lease to be performed by Tejon or Burrows are intended to and shall bind or benefit the respective parties and their assigns or successors, as applicable, at all times.
- 8. Purpose of Memorandum of Lease. The above terms are provided for notice purposes only. Reference is hereby made to the Burrows Lease, as set forth in the Letter Agreement, for full and complete terms with respect to the leasing of the Leased Premises.
- 9. <u>Counterparts.</u> This Memorandum may be executed in one or more counterparts, all of which shall be considered one and the same agreement.

TEJON:	BURROWS:
TEJON RANCHCORP, a California corporation	300 A 40 H, LLC, a California limited liability company
By:	By: June June Bruce Burrows, Manager and Member

NOTARY ACKNOWLEDGMENT

STATE OF CALIFORNIA)	
COUNTY OF Kern)ss. _)	
	07 before me, Konnie Sue Williams-Roth , State, personally appeared,	
instrument and acknowledged to authorized capacity(ies), and that b	personally known to me (or proved to me be the person(s) whose name(s) is/are subscribed to the o me that he/she/they executed the same in his/h by his/her/their signature(s) on the instrument the person e person(s) acted, executed the instrument.	within er/their
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STATE OF))ss. _)	
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Signature of Notary	[Notary Seal]	
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NOTARY ACKNOWLEDGMENT

STATE OF CALIFORNIA)	
COUNTY OF Las Angeles)ss.)	
On 2/2, 200 Public in and for said County and S	7 before me, Nuo 1 State, personally appeared _	Bruce Burrows
basis of satisfactory evidence) to be instrument and acknowledged to authorized capacity(), and that be the entity upon behalf of which the	be the person(b) whose name o me that he/she/they exe by his/her/their signature(b) (couted the same in his/her/their on the instrument the person(s), or
WITNESS my hand and official se	al.	NKO JUSTIN Commission # 1449691 Notary Public - California Los Angeles County My Comm. Expires Dec 5, 2007
Signature of Notary		[Notary Seal]
STATE OF))ss.)	
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basis of satisfactory evidence) to be instrument and acknowledged to authorized capacity(ies), and that be the entity upon behalf of which the	e the person(s) whose name me that he/she/they exe y his/her/their signature(s) of	cuted the same in his/her/their on the instrument the person(s), or
WITNESS my hand and official sea	al.	-
Signature of Notary	AMAD Man Auditor or a decomposition	[Notary Seal]

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EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of , County of Los Angeles, State of California, described as follows:

PARCEL 1: (3275-002-001)

PARCEL A:

THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDING MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE CIF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL B:

AN EASEMENT FOR INGRESS AND EGRESS OVER THE SOUTH 40 FEET, THE NORTH 32 FEET AND THE EAST SO FEET OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 6 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL C:

AN EASEMENT FOR INGRESS AND EGRESS OVER THE EAST 50 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 2: (3275-002-012)

THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL 3: (3275-002-018)

THE WEST HALF OF THE NORTHEAST QUARTER OF NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 4: (3275-002-015)

THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCIEL 5: (3275-002-016)

THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF

SAID LAND.

PARCEL 6: (3275-002-017)

THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 7: (3275-002-010)

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF SAID LAND.

PARCEL 8: (3275-002-008)

THE WEST HALF (W1/2) OF THE NORTHWEST QUARTER (NW1/4) OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO BASE AND MERIDIAN, CONTAINING 20 ACRES, MORE OR LESS.

PARCEL 9: (3275-002-019 & 3275-002-020)

THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL 10: (3275-002-007)

THE EAST HALF (E½) OF THE NORTHWEST QUARTER (NW¼) OF THE NORTHEAST QUARTER (NE¼) OF SECTION 2, TOWNSHIP 8 NORTH, RANGE 17 WEST, SAN BERNARDINO BASE AND MERIDIAN, CONTAINING 20 ACRES, MORE OR LESS.

Appendix D-3: Table 4 Applied Crop Water Duties and Irrigation Efficiency Values (DU = 80%) Antelope Valley Area of Adjudication

<u> </u>	ET.	P. ?	ET _{AW} ²	DU³	AW _c ⁸	AW _{ef} ⁵	AW _{or} ⁷	AW ₇	1	E _r , §
Crop	(in)	(in)	(în)	(%)	(in)	(in)	(in)	(in)	(ft)	(%)
Alfalfa	62.10	1.77	60.33	80	75.42	o	2.0	77.42	6.5	81
Carrots	27:47	ä.og	27.47	80	34.33	6	6.5	46.83	3.9	85
Grain	22.94	1.42	21.52	80	26,90	0	4.0	30.90	2.6	83
Melons/Squash	23.91	0.00	23.91	80	29.88	. 9	4.0	33.88	2.8	82
Onions	37.57	0.00	37.57	80	46.96	3.	4.0	53.96	4.5	83
Orchard (Deciduous)	47.38	0.00	47.38	80	59.22	0	0.0	59.22	4.9	80
Pasture	66.19	1.77	64.42	80	80.53	o	0.0	80.53	6.7	80
Potatoes	24.02	0.00	24.02	80	30.03	O	4.0	34.03	2.8	82
Silage	27.31	0.00	27.31	80	34.14	٥	4.0	38.14	3.2	82
Sugar Beets	40.55	0.00	40.55	80	50.68	0	4.0	54.68	4.6	81
Vineyard (Grapes)	35,33	0.00	35.33	80	44.16	0	0.0	44.16	3.7	80

ET = K, * ET, where ET = average ET, for specified periods, based on data from Victorville CIMIS Station, 1994-2003); K, values from Univ. California Cooperative Extension

22 23 24 25 26 27 28 **DECLARATION**

P, a effective precipitation offsetting ET, up to 1/2 of the average precipitation, in Dec. - Feb., inclusive-

ETAW = evapotranspiration of applied water = ET_c - P_e

DU = irrigation distribution uniformity

 $AW_c = applied water for crop requirement * ET_{AW} + DU$

AW, = applied water for erosion control

 AVV_{pr} = applied water for field preparation and pre-infigation

 $AW_1 = applied crop water duty = AW_c + AW_{sc} + Aw_{pr}$. $E_{cr} = averall irrigation efficiency for beneficial uses = (ET_{AW} + AW_{pr} + AW_{pr}) + AW_T$

1 PROOF OF SERVICE 2 STATE OF CALIFORNIA 3 COUNTY OF LOS ANGELES) 4 I, Felicia Herbstreith am employed in the County of Los Angeles, State of California. I 5 am over the age of 18 and not a party to the within action; my business address is: 601 West 6 Fifth Street, Suite 1100, Los Angeles, California 90071. On February 14, 2013, I served the foregoing document described as: DECLARATION 8 OF BRUCE BURROWS on the interested parties in this action by posting the document listed above to the Santa Clara County Superior website in regard to the Antelope Valley Groundwater 10 Adjudication matter, pursuant to the Electronic Filing and Service Standing Order of Judge Π Komar. 12 I declare under penalty of perjury under the laws of the State of California that the above 13 is true and correct. 14 Executed on February 14, 2013, at Los Angeles, California. 15 16 /s/ Felicia Herbstreith Felicia Herbstreith 17 18 19 20 21 22 23 24

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