

## EXHIBIT C

### JOINT SUBDIVISION AND EXCHANGE AGREEMENT

#### QUITCLAIM DEED

COOK INLET REGION, INC., an Alaska corporation (hereinafter called "CIRI" or "GRANTOR"), whose business address is P.O. Box 93330, Anchorage, Alaska, 99509-3330, for an in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby convey and quitclaim to the GRANTEE, the Kenai Peninsula Borough, whose address is 144 North Binkley Street, Soldotna, Alaska 99669, by these presents does remise, release and quitclaim the surface estate unto the said GRANTEE, its successors and assigns, the following described land situated in the Kenai Recording District, Third Judicial District, State of Alaska, and described as follows:

Lot 1 and 5 Block 4 and Lot 7 Block 1 of the Widgeon Woods Subdivision,  
Plat 2012-\_\_\_\_\_

EXCEPTING AND RESERVING to the GRANTOR the subsurface estate as defined by the Alaska Native Claims Settlement Act, 43 U.S.C. §1601 *et seq.*, as amended, including sand and gravel, in the above described property and all rights appurtenant thereto;

CIRI shall not disrupt the surface estate, disturb the lateral or subjacent support of the Property or exercise any of its rights to the Subsurface Estate to a vertical depth of 250 feet below the Surface Estate;

CIRI shall not object to the entry and use of the Property by the Surface Owner:

1. To a depth not to exceed two hundred fifty (250) feet from the natural surface contour of the Property as of the date of this Non-Development Covenant for purposes of excavation for and placement and maintenance of foundations, pilings, pipe and septic systems and utility facilities;
2. To such a greater depth than two hundred fifty (250) feet as may be necessary or convenient for purposes of drilling a well to produce a sufficient and adequate supply of water for use on the premises of the property; and,
3. CIRI does not and shall not authorize any extraction or use of resources, other than water, from the Subsurface Estate of the Property;

CIRI shall not object to an Incidental Use of Gravel Resources on, within or under the Property, for the purposes of fill for grade and contour leveling and road construction,

backfill for foundations and the construction of building pads and driveways. Commercial and/or Off-Premises uses by the Surface Owner are prohibited.

SUBJECT TO the reservations, rights, privileges, immunities, easements, taxes and assessments, covenants, rights-of-way, encroachments either of record or ascertainable by physical inspection.

TOGETHER WITH all the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining.

DATED THIS \_\_\_\_\_ day of \_\_\_\_\_, 2012.

COOK INLET REGION, INC.

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Ethan G. Schutt  
Sr. Vice-President  
Land & Energy Development

CIRI Deed # \_\_\_\_\_

