

10/29/2003 Page

1 of

17 11:21AM

AFTER RECORDING MAIL TO:

Scott D. Fletcher Stafford Frey Cooper 601 Union St., Suite 3100 Seattle, WA 98101

CB&I CONSTRUCTORS, INC., a Delaware corporation,

Claimant,

v.

TESORO WEST COAST COMPANY, dba
TESORO NORTHWEST COMPANY, a
Delaware corporation; TESORO PETROLEUM
CORPORATION, a foreign corporation, and
BANK ONE, N.A., a foreign corporation,

Defendants.

FIRST AMERICAN TITLE CO.

ACCOMMODATION RECORDING ONLY

M8215

RELEASE OF LIEN

Auditor's No. 200205200179

Amended Auditor's No. 20021023117

KNOW ALL MEN BY THESE PRESENCE, that a certain lien, claimed by Lien Notice filed and recorded in the Office of the County Auditor of Skagit County, Washington on the 20th day of May, 2002, having Auditor's No. 200205200179 of the official records of Skagit County as amended on the 23rd day of October 2002 having Auditor's No. 20021023117 by the abovenamed claimant against the above-named defendants for the sum of One Million Seven Hundred Two Thousand, One Hundred Dollars (\$1,702,100.00), upon the property located at 103 West March Point Road, Anacortes, Washington 98221, having a legal description as set forth in

RELEASE OF LIEN - 1

M:\clients\9573\23559\mis\Release of Lien

Exhibit A attached hereto is PAID IN FULL AND RELEASED IN FULL.

CB&I CONSTRUCTORS, INC.

By: Just Statthe-Its: January of Zunas

STATE OF WASHINGTON) ss COUNTY OF KING)

On this 27th day of October, 2003, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Scott Fletcher, to me known to be the Andered for CB&I Constructors, Inc., the individual who executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said CB&I Constructors, Inc., for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day ad year first above written.

SCOTT D. BISSELL
STATE OF WASHINGTON
NOTARY—1—PUBLIC
Y COMMISSION EXPENSE. OF ALC.

NOTARY PUBLIC and for the State of WAZHING TON, residing at

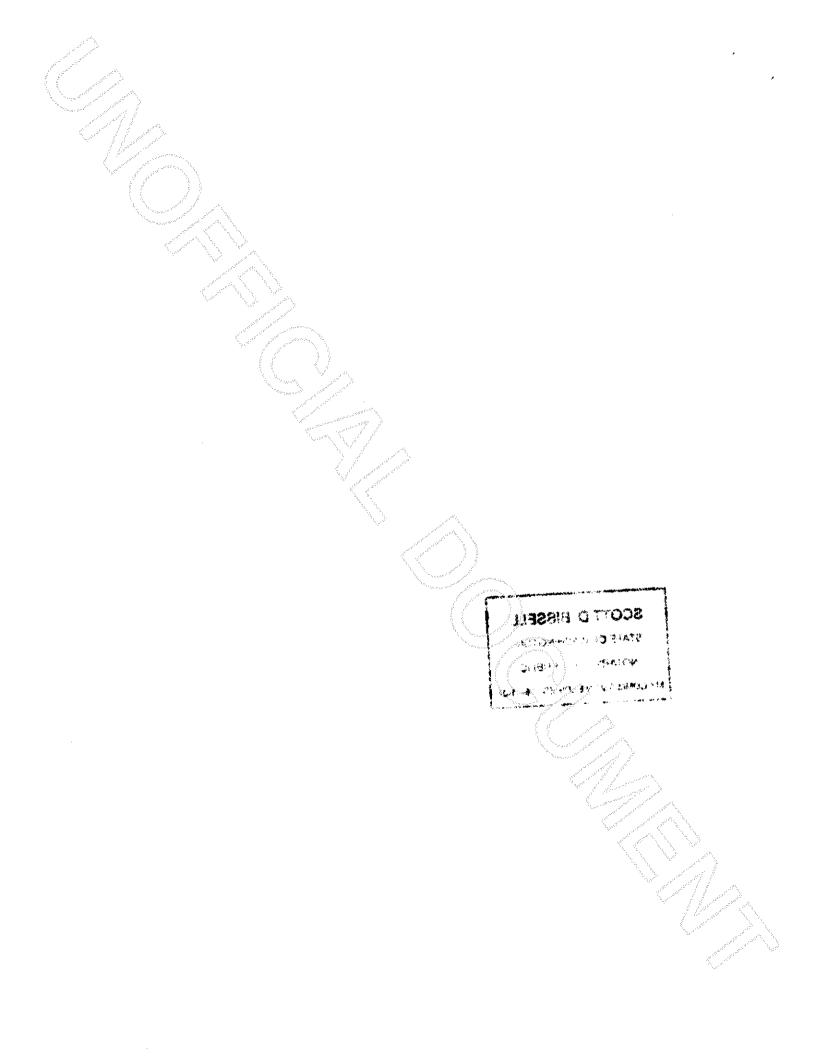
My Commission Expires: 06 · 01 · 07

RELEASE OF LIEN - 2

M:\clients\9573\23559\mis\Release of Lien

200310290105 Skagit County Auditor

10/29/2003 Page



LEGAL DESCRIPTION:

XX TAX 1 A TR OF LAND WITHIN SECTIONS 21 28 29 & 33 TWN 35 N RANGE 2 EAST W.M. BEING MORE PARTICULARLY DESC AS FOL BEG AT THE NE COR OF GOV LOT 2 SD SEC 21 THE LY & S'LY ALG THE GOV MEANDER LI TO THE INTER OF THE S LI OF THE N 200' OF GOV LOT 2 OF SD SEC 28 TH W ALG THE S LI OF THE N 200' OF SD GOV LOT 2 SEC 28 A DIST OF 435 M/L TO THE N-S C/L OF SD SEC 28 TH S ALG SD N-S C/L OF SEC 28 A DIST OF 5189. 68' TO THE S 1/4 COR OF SD SEC 28 TH S 1 DEG 12'30" WALG THE N-S C/L OF SD SEC 33 TO THE N LI OF THE TEXACO RD BEING 679-37' N OF THE SE COR OF THE NW1/4 OF SD SEC 33 TH N 88 DEG 43'37" W A DIST OF 20' TH S 1 DEG 12' 30" W A DIST OF 20' TO THE S LI OF THE N 1/2 OF THE SE 1/4 OF NW1/4 OF SD SEC 33 TH N 88 DEG 24'30" WALG THE N LI OF THE TEXACO RD A DIST OF 1303.23' TO THE W LI OF THE E1/2 OF NW1/4 OF SD SEC 33 TH N 1 DEG 60'45" E A DIST OF 1987.75' TO THE NW COR OF NEL/4 OF NW1/4 OF SD SEC 33 TH N 88 DEG 04' W A DIST OF 1330.2' TO THE NW COR OF SEC 33 TH N 1 DEG 31' E ALG THE E LI OF SD SEC 29 A DIST OF 1330.9' TO THE NE COR OF GOV LOT 4 OF SD SEC 29 TH N 88 DEG 25' W ALG THE N LI OF SD GOV LOT 4 A DIST OF 1305' M/L TO THE E LI OF MARCH'S POINT RD TH N'LY ALG THE E LI OF SD MARCH'S POINT RD A DIST OF 2555' M/L TO THE NW COR OF THAT CERTAIN TR OF LAND TO SHELL OIL CO. BY DEED REC. UNDER AUD FILE NO 605021 RECORDS OF SKAGIT COUNTY, WASH. TH S 77 DEG 25'00" E A DIST OF 610.45' TH N 11 DEG 25'30" E 365,51' TH N 17 DEG 20'00" W 300' TO THE SW COR OF THE PLAT OF MARCH'S POINT TRACTS ACCORDING TO THE RECORDED PLAT THOF IN THE OFFICE OF THE AUDITOR OF SKAGIT COUNTY, WASH. IN VOL. 5 OF PLATS PAGE 25 TH N 41 DEG 02'30" E 363.50' TH N 48 DEG 45'30" E 184.10' TH N 56 DEG 35'30" E 60.80' TH S 1 DEG 55'40" W 300' TH N 64 DEG 59'30" E 844.54' TH N 1 DEG 55'30" E 300' TH N 77 DEG 21'30" E 394.93' TH N 79 DEG 56'30" E 115.10' TH E 61.50' TO THE SE COR OF SD PLAT OF MARCH'S POINT EXC FDF PTN GOVT LT 1 SEC29 T35N R2E DAF COM PT WHICH BEARS 17-21-0 E 300.0FT FROM SW COR PLAT MARCH PT TRACTS REC PLATS VOL 5 PG 25 SKAGIT CNTY ALSO BEING MOST NLY COR TRACT LAND CONVYD TO SHELL OIL CO DEED REC AF#496851 TH N 17-21-0 W 667.48FT TO INT WITH S MGN CNTY RD SD PT BEING TPOB TH S 17-21-0 E 200.0FT TH S 36-55-0 W PLW S RD MGN SD CNTY RD 160.0FT TH N 17-21-6 W 260.0FT TO INT WITH S MGN CNTY RD TH N 36-55-0 E ALG SD MGN 100.0FT TO TPOB

NOTICE: This material is provided for informational purposes only!
FIRST AMERICAN TITLE COMPANY assumes no liability for the accuracy thereof.



10/29/2003 Page

The land referred to herein is situated in the County of Skagit, State of Washington, and is described as follows:

PARCEL "A-1":

Government Lot 1; the Southwest 1/4 of the Northwest 1/4; the East 1/2 of the Northwest 1/4; and the Southwest 1/4 of Section 28, Township 35 North, Range 2 East, W.M., EXCEPT County Road right-of-way known as the March's Point Road;

ALSO EXCEPT Kavanaugh Road right-of-way, if any, established on May 20, 1892;

ALSO EXCEPT road deeds conveyed to Skagit County under Auditor's File Nos. 430783, 430784 and 340431;

ALSO TOGETHER WITH Tidelands, in front of and shutting said Government Lot 1, as conveyed by the State of Washington in Deeds dated June 6, 1911 and April 16, 1915 and recorded May 21, 1912 and June 24, 1915 as Auditor's File Nos. 91418 and 108593, respectively.

ALSO TOGETHER WITH tidelands conveyed by the State of Washington, by Deed dated August 22, 1906 and recorded February 25, 1910, as Auditor's File No. 78068, which tidelands were mislabelled as First Class Tidelands and excepted from the above described tideland deeds.

PARCEL "A-2":

Government Lots 2 and 3 of Section 28, Township 35 North, Range 2 East, W.M., EXCEPT County road right-of-way known as the March's Point Road; ALSO EXCEPT that portion of Government Lot 3 conveyed to David J. Bost by Deed recorded as Auditor's File No. 8607110070.

TOGETHER WITH tidelands lying in front of and abutting said Government Lot 2, as conveyed by the State of Washington in Deeds dated June 6, 1911 and April 5, 1916, then recorded on May 21, 1912 and April 25, 1916 as Auditor's File Nos. 91418 and 112958, respectively.

200310290105 Skagit County Auditor 10/29/2003 Page 4 of 17 11:21AM

...Continued...

PARCEL "A-3":

Government Lots 4 and 5 and the Southwest 1/4 of the Southeast 1/4 of Section 28, Township 35 North, Range 2 East, W.M., EXCEPT the County road right-of-way known as the March's Point Road;

ALSO EXCEPT Kavanaugh Road right-of-way, if any, established on May 20, 1892 and not vacated under Auditor's File No. 9204220013; AND ALSO EXCEPT unvacated road widening deeds to Skagit County recorded under Auditor's File Nos. 340425 through 340431, inclusive.

ALSO EXCEPT those portions of Government Lot 4 conveyed to the following described parties:

- a.) David J. Bost by Deeds recorded as Auditor's File Nos. 8607110070 and 9304140064;
- b.) John R. Watcher, et ux, by Deed recorded as Auditor's File No. 745889;
- c.) Harold M. Yeoman, et ux, by Deed recorded as Auditor's File No. 616035;
- d.) Thomas A. McCormick, et ux, by Deed recorded as Auditor's File No. 563786;

ALSO EXCEPT that portion of Government Lot 5 conveyed to Robert W. Evans and Joanne B. Evans, husband and wife, by Deed recorded as Auditor's File No. 8211090017;

ALSO EXCEPT that portion of Government Lot 5 conveyed to William R. Kiesser, et ux, by Deed recorded as Auditor's File No. 547521.

PARCEL "B-1":

That portion of Government Lot 8 of Section 32, Township 35 North, Range 2 East W.M., lying Easterly of that certain tract of land conveyed to The Texas Company by Deed recorded as Auditor's File No. 556825.

200310290105 Skagit County Auditor 10/29/2003 Page 5 of 17.1

...Continued...

PARCEL "B-2":

The North 1/2 of Government Lot 7 of Section 32, Township 35 North, Range 2 East W.M., lying Easterly of the County Road right-of-way known as the March's Point Road; EXCEPT that portion thereof conveyed to The Texas Company by Deed recorded as Auditor's File No. 556825; ALSO EXCEPT any portion thereof lying South of the South line of the vacated plat of "BURDON'S FIRST ADDITION TO ANACORTES WASHINGTON", as per plat recorded in Volume 3 of Plats, page 22.

TOGETHER WITH those rights to a 50 foot wide strip of land in Government Lots 6 and 7 of Section 32 and in the Northwest 1/4 of the Southwest 1/4 of Section 33, all in Township 35 North, Range 2 East W.M., as conveyed to Shell Oil Company by the Great Northern Railway Company by Deed recorded as Auditor's File No. 568629.

PARCEL "C-1":

Those portions of Government Lots 2, 3 and 4 of Section 29, Township 35 North, Range 2 East W.M., lying Easterly of the County Road right-of-way known as the March's Point Road, EXCEPT the three following described portions thereof:

- 1.) That portion of Government Lots 3 and 4 conveyed to The Texas Company by Auditor's File No. 556825;
- 2.) That portion of Government Lot 2 lying Westerly and Northerly of the following described line:

Beginning at a point South 17 degrees 21' Bast 300 feet from the Southwest corner of the Plat of "MARCH'S POINT TRACTS", according to the recorded plat thereof in the office of the Auditor of Skagit County, Washington, in Volume 5 of Plats, page 25, said point being in Government Lot 1 of said Section 29; thence South 11 degrees 23'45" West 365.67 feet to a point on the Northerly line of that certain tract conveyed to R.C. Cannon and Vera V. Cannon, husband and wife,

10/29/2003 Page

...Continued...

by Deed dated July 23, 1951, and recorded August 1, 1951, under Auditor's File No. 463956, records of said County; thence North 77 degrees 23' West along the North line of said Cannon tract to the Easterly right-of-way line of the County road right-of-way known as the March's Point Road, the terminus of this line description;

3.) Kavanuagh Road right-of-way, if any, established on May 20, 1892.

PARCEL "C-2":

That portion of Government Lot 1 of Section 29, Township 35 North, Range 2 East W.M., lying Easterly of the following described line:

Begin at the Southeast corner of Government Lot 2 of said Section 29; thence North 1 degree 55'40" East along the East line of said subdivision, a distance of 527.54 feet; thence North 17 degrees 20' West to a point on the meander line along the Northwesterly line of said subdivison, the terminus of this line description;

EXCEPT that portion thereof lying within the county road right-of-way known as the March's Point road.

ALSO TOGETHER WITH that portion of said Government Lot 1, lying Westerly of the above described line and within those premises conveyed to Shell Oil Company by Deed recorded in Volume 260 of Deeds, page 271, under Auditor's File No. 496851.

ALSO TOGETHER WITH Tidelands, in front of and abutting said premises, as conveyed by the State of Washington by Deeds dated June 6, 1911 and April 16, 1915, then recorded May 21, 1912 and June 24, 1915 as Auditor's File Nos. 91418 and 108593, respectively.

ALSO TOGETHER WITH tidelands conveyed by the State of Washington, by Deed dated August 22, 1906 and recorded February 25, 1910, as Auditor's File No. 78068, which tidelands were mislabelled as First Class Tidelands and excepted from the above described tideland deeds.

200310290105 Skagit County Auditor

10/29/2003 Page 7 of 17 11:21AM

...Continued...

PARCEL "C-3":

That portion of Government Lot 1 of Section 29, Township 35 North, Range 2 East W.M., described as follows:

Begin at a point on the East line of Government Lot 2 which is 522.5 feet North of the Southeast corner of said Government Lot 2; thence North 17 degrees 21' West 1,697.8 feet, more or less, to the meander line along the Northwesterly line of said Government Lot 1, said point being the true point of beginning; thence South 17 degrees 21' East to a point which is 200 feet Southeasterly of the Southeasterly line of the County road right-of-way known as the March's Point Road; thence Southwesterly parallel with the Southeasterly line of the March's Point Road, a distance of 100 feet; thence North 17 degrees 21' West to the meander line; thence Northeasterly along the meander line to the true point of beginning; EXCEPT the following described portion thereof:

Commencing at a point which bears South 17 degrees 21' a distance of 300 feet from the Southwest corner of the Plat of "MARCH'S POINT TRACTS" (platted South 17 degrees East), according to the recorded plat thereof in Volume 5 of Plats, page 25, records of Skagit County, Washington, being the most Northerly corner of that certain tract land conveyed to Shell Oil Company by Warranty Deed recorded in Volume 260 of Deeds, page 271, under Auditor's File 496851, records of said County; thence North 17 degrees West a distance of 667.48 feet to the intersection with the South margin of the County road and said point being true point of beginning; thence South 17 degrees 21 distance of 200 feet; thence South 36 degrees 55' West, parallel with the South road margin of said County road a distance of 100 feet; thence North 17 degrees 21 West a distance of 200 feet to the intersection with the South margin of the County road; thence North 36 degrees 55' East, along the said margin, a distance of 100 feet to the true point of beginning.

10/29/2003 Page 8 of 17 11:21AM

...Continued...

ALSO EXCEPT that portion thereof lying within the County road right-of-way known as the March's Point Road.

TOGETHER WITH those portions of the following described Tidelands, lying between the Easterly and Westerly lines of said premises extended Northerly, those Tidelands conveyed by the State of Washington by Deeds dated June 6, 1911, and April 16, 1915, then recorded May 21, 1912, and June 24, 1915, as Auditor's File Nos. 91418 and 108593, respectively.

PARCEL "C-4":

That portion of Government Lots 1 and 2 of Section 29, Township 35 North, Range 2 East W.M., described as follows:

Commencing at a point South 17 degrees 21' East a distance of 300 feet from the Southwest corner of the plat of "MARCH'S POINT TRACTS" (platted South 17 degrees 20' East), according to the recorded plat thereof in Volume 5 of Plats, page 25, records of Skagit County, Washington, also being the most Northerly corner of that certain tract of land conveyed to the Shell Oil Company, by Warranty Deed, recorded in Volume 260 of Deeds, page 271, under Auditor's File No. 496851, records of said County; thence South degrees 25'30" West (Deed South 11 degrees 23'45" We along the Westerly line of said Shell tract a distance of 122.25 feet to the true point of beginning; thence North 57 degrees 30'45" West to the intersection with the Easterly margin of the County road; thence Southerly along the said road margin a distance of 440.27 feet to the Northwest corner of that certain tract conveyed to Shell Oil Company by Statutory Warranty Deed recorded under Auditor's File No. 605021, records of said County; thence South 17 degrees 23'00" East along the North line of said tract a distance of 353.69 feet to the most Northerly corner of that certain tract conveyed to Shell Oil Company by Statutory Warranty Deed recorded under Auditor's File No. 496862, records of said County; thence South 77 degrees 20'12" East along the North line of said tract a distance of 256.11 feet to the intersection with the West line of that certain tract conveyed under Auditor's File No. 496851; thence North degrees 25'30" East along said West line a distance 11 242.69 feet to the true point of beginning. of



10/29/2003 Page 9 of 17 11:21AM

...Continued...

TOGETHER WITH Tidelands, as conveyed by the State of Washington by Deeds dated June 6, 1911 and April 16, 1915, then recorded May 21, 1912 and June 24, 1915, as Auditor's File Nos. 91418 and 108593 respectively, lying Northerly of the following line:

Commencing at the Southeast corner of Government Lot 2, said Section 29; thence North along the East line of said Lot 2 a distance of 522.5 feet; thence North 17 degrees 21' West 1697.8 feet, more or less, to the North meander line of Government Lot 1; thence Southwesterly along the meander line in front of Government Lot 1 a distance of 509.0 feet; thence continuing along said meander line South 35 degrees 48'30" West 70 feet to the true point of beginning of this line description; thence at right angles North 54 degrees 11'30" West to the line of extreme low tide, and Westerly of that certain parcel conveyed to Shell Oil Company, a Delaware corporation, by Warranty Deed dated November 8, 1963, recorded November 12, 1963, under Auditor's File No. 643083.

PARCEL "D":

Government Lots 1, 2 and 3 of Section 21, Township 35 North, Range 2 East, W.M., EXCEPT the County road right-of-way known as the March's Point Road.

TOGETHER WITH Tidelands, in front of and abutting said premises as conveyed by the State of Washington by Deeds dated June 6, 1911 and April 5, 1916, then recorded May 21, 1912 and April 25, 1916 as Auditor's File Nos. 91418 and 112958, respectively.

ALSO TOGETHER WITH tidelands conveyed by the State of Washington, by Deed dated August 22, 1906 and recorded February 25, 1910, as Auditor's File No. 78068, which tidelands were mislabelled as First Class Tidelands and excepted from the above described tideland deeds.

PARCEL "E-1":

The North 1/2 of the Northwest 1/4 and the North 1/2 of the South 1/2 of the Northwest 1/4 of Section 33. Township 35 North, Range 2 East W.M., EXCEPT that portion thereof, if any, lying within the County road right-of-way known as the North Texas County Road, AND ALSO EXCEPT road deeds conveyed to Skagit County under Auditor's File Nos. 210768 and 210769.

200310290105 Skagit County Auditor

10/29/2003 Page 10 of 17 11:21AM

...Continued...

PARCEL "E-2":

The Northwest 1/4 of the Northeast 1/4 and the North 1/2 of the Southwest 1/4 of the Northeast 1/4 of Section 33, Township 35 North, Range 2 East, W.M., EXCEPT that portion of said North 1/2 of the Southwest 1/4 of the Northeast 1/4 lying Southerly of the North line of the County road known as the North Texas County Road; AND ALSO EXCEPT road deeds conveyed to Skagit County under Auditor's File Nos. 186857 and 186858; AND ALSO EXCEPT that portion of said North 1/2 lying Easterly of the following described line:

Beginning at a point on the Northerly line of the North Texas Road (also known as County Road No. 591), which point is distant 15.68 feet North and 194.49 feet East of the Southwest corner of said subdivision (the Westerly line of said subdivision bears North 1 degree 12'30" East); thence North 1 degree 34' East a distance of 639.7 feet to a point on the North line of said subdivision, the terminus of this line description.

PARCEL "E-3":

The Northeast 1/4 of the Northeast 1/4 of Section 33, Township 35 North, Range 2 East W.M., EXCEPT that portion thereof lying Easterly and Southerly of the following described line:

Begin at the Southeast corner of that certain tract of land conveyed to the Shell Oil Company by Deed recorded June 20, 1994 as Auditor's File No. 9406200099, said point being on the South line of the subdivision; thence North 00 degrees 42'12" East, a distance of 150.18 feet to the Northeast corner of said Shell tract; thence South 89 degrees 18'40" East along the North line of those tracts conveyed to Denzil E. Stam, et al, by Deeds recorded as Auditor's File Nos. 724698 and 9406200100, to the meander line along the East line of Government Lot 1 of Section 34, Township 35 North, Range 2 East W.M., the terminus of this line description; ALSO EXCEPT that certain Northeasterly portion thereof as conveyed to William R. Kiesser, et ux, by Deed recorded as Auditor's File No. 547521.

10/29/2003 Page

... Continued...

PARCEL "E-4":

The North 1/2 of the Southeast 1/4 of the Northeast 1/4 of Section 33, Township 35 North, Range 2 East W.M., EXCEPT that portion thereof lying Southerly of the North line of the County road known as the North Texas County Road; ALSO EXCEPT that Westerly portion thereof lying within the County Road known as the Betterton Extension Road.

PARCEL "F-1":

Government Lot 1 of Section 34, Township 35 North, Range 2 East W.M., EXCEPT those Southerly portions thereof lying within those certain tracts conveyed to Denzil E. Stam, et al, by Auditor's File Nos. 724698 and 9406200100; ALSO EXCEPT the County road right-of-way known as the March's Point Road; ALSO EXCEPT that portion thereof conveyed to William R. Kiesser, et ux, by Deed recorded as Auditor's File No. 547521.

PARCEL "F-2":

The North 5 acres of Government Lot 2 of Section 34, Township 35 North, Range 2 East W.M., EXCEPT the as built and existing March's Point County Road running through said 5 acres, AND ALSO EXCEPT that portion of the North 16 feet thereof lying West of the March's Point Road being reserved for road purposes by Deed recorded October 21, 1903, under Auditor's File No. 43848, in Volume 52 of Deeds, page 599, records of Skagit County, Washington.

PARCEL "G":

Government Lot 1 of Section 27, Township 35 North, Range 2 East W.M., EXCEPT the County road right-of-way known as the March's Point Road; ALSO EXCEPT that pertion thereof conveyed to William R. Kiesser, et ux, by Deed recorded as Auditor's File No. 547521.

10/29/2003 Page 12 of 17 11:21AM

OCHEDULE D

THE FOLLOWING LEGAL DESCRIPTION IS CERTIFIED ON THE SURVEY PREPARED BY LEONARD, BOUDINGT & SKODJE, INC., DATED SEPTEMBER 11, 1998, JOB NO. 98144, AS BEING THE SAME PROPERTY AS DESCRIBED ON SCHEDULE C.

THAT PORTION OF SECTIONS 21. 27, 28, 29, 32, 33 AND 34, ALL IN TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M. DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 28; SOUTH 89° 25' 50" WEST, ALONG THE SOUTH LINE OF SAID SECTION 28, A DISTANCE OF 245.80 FEET; THENCE NORTH 0° 34' 10" WEST, A DISTANCE OF 1.45 FEET TO THE TRUE POINT OF BEGINNING; THENCE THE FOLLOWING COURSES: SOUTH O' 09' 17" WEST, 97.48 FEET; THENCE NORTH 83' 46' 46" EAST, 312.13 FEET; THENCE NORTH 73' 58' 45" EAST, 129.46 FEET; THENCE SOUTH 20' 41' 31" EAST, 91.73 FEET; THENCE SOUTH 22' 58' 20" EAST, 312.80 FEET; THENCE ALONG THE CURVE TO THE RIGHT, HAVING A RADIUS OF 1185.00 FEET THROUGH A CENTRAL ANGLE OF 11° 23° 27", AN ARC DISTANCE OF 235.59 FEET;
THENCE SOUTH 11° 34° 53" EAST, 550.76 FEET, TO A POINT
HEREINAFTER REFERRED TO AS POINT "A"; THENCE SOUTH 89" 06"
WEST, 838.72 FEET; THENCE SOUTH 0° 52' 26" EAST, 150.29 FEET; HEREINAFTER REFERRED TO AS POINT "A"; THENCE SOUTH 89" 06" 42"
WEST, 838.72 FEET; THENCE SOUTH 0" 52' 26" EAST, 150.29 FEET;
THENCE NORTH 89" 36' 57" EAST, 229.95 FEET; THENCE SOUTH 0"
52' 26" EAST, 16.00 FEET; THENCE NORTH 89" 11' 24" EAST, 515.35 FEET;
THENCE SOUTH 7" 45' 32" EAST, 253.43 FEET; THENCE SOUTH 5" 58'
24" EAST, 66.09 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "B";
THENCE SOUTH 89" 11' 24" WEST, 551.60 FEET; THENCE SOUTH 0"
52' 23" EAST, 330.17 FEET; THENCE SOUTH 89" 42' 26" WEST, 1317.41
FEET; THENCE NORTH 0" 37' 03" WEST, 661.42 FEET; THENCE SOUTH
89° 36' 54" WEST, 1132.41 FEET; THENCE SOUTH 0" 00' 04" EAST,
639.57 FEET; THENCE SOUTH 89' 42' 26" WEST, 174.52 FEET; THENCE
NORTH 0" 21' 34" WEST, 1298.53 FEET; THENCE SOUTH 89' 38' 26"
WEST, 20.00 FEET; THENCE NORTH 0" 21' 34" WEST, 659.25 FEET;
THENCE NORTH 88' 04' 37" WEST, 20.00 FEET; THENCE SOUTH 0"
21' 34" EAST, 1978.43 FEET; THENCE SOUTH 89" 56' 34" WEST, 2526.43
FEET; THENCE SOUTH 89' 47' 17" WEST, 610.21 FEET; THENCE NORTH
7" 57' 43" WEST, 175.55 FEET; THENCE NORTH 89' 20' 17" EAST,
50.41 FEET; THENCE NORTH 7" 57' 43" WEST, 784.88 FEET; THENCE
NORTH 12' 33' 43" WEST, 835.80 FEET; THENCE NORTH 15' 16' 43"
WEST, 237.32 FEET; THENCE NORTH 15' 16' 43" WEST, 1368.22 FEET;
THENCE NORTH 88' 31' 07" WEST, 41.77 FEET; THENCE NORTH 15'
16' 43" WEST, 6.73 FEET; THENCE ALONG A CURVE TO THE RIGHT HAVING
A RADIUS OF 522.95 FEET THROUGH A CENTRAL ANGLE OF 22' 59' 00"
AN ARC DISTANCE OF 209.77 FEET; THENCE NORTH 7' 42' 17" EAST,
875.01 FEET; THENCE NORTH 5' 23' 17" EAST, 259.71 FEET; THENCE
SOUTH 89' 47' 17" WEST, 10.05 FEET; THENCE NORTH 7' 42' 17" EAST,
875.01 FEET; THENCE ALONG A CURVE TO THE RIGHT HAVING
A RADIUS OF 910.00 FEET, THROUGH A CENTRAL ANGLE OF 10' 45' 42'
AND ARC DISTANCE OF 170.92 FEET: THENCE NORTH 16' 08' 59" EAST. THENCE SOUTH B9" 06" 42" RADIUS OF 910,00 FEET, THROUGH A CENTRAL ANGLE OF 10" 45" 42"
AND ARC DISTANCE OF 170.92 FEET; THENCE NORTH 16' 08' 59" EAST,
276.08 FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF
940.00 FEET, THROUGH A CENTRAL ANGLE OF 11" 53" 02" AN ARC
DISTANCE OF 194.97 FEET; THENCE NORTH 4" 15" 57" EAST, 118.34
FEET; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF
910.00 FEET; THROUGH A CENTRAL ANGLE OF 5" 11' 16" AN ARC DISTANCE OF 82.40 FEET; THENCE NORTH 9' 27' 13" EAST, 281.01 FEET; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 1385.00 FEET, THROUGH A CENTRAL ANGLE OF 20' 08' 29" AN ARC DISTANCE OF 486.87 FEET; THENCE NORTH 29' 35' 42" EAST, 37.73 FEET; THENCE SOUTH 59' 04' 28" EAST, 559.30 FEET; THENCE NORTH 9' 51' 47" EAST, 122.25 FEET; THENCE NORTH 18' 55' 59" WEST, 672.68 FEET; THENCE NORTH 42' 21' 19" EAST, 138.22 FEET; THENCE NORTH 42' 21' 09" EAST, 213.48 FEET; THENCE NORTH 48' 31' 17" EAST, 200.00 FEET; THENCE NORTH 56' 22' 14" EAST, 99.98 FEET; THENCE NORTH 56' 15' 29" EAST, 43.32 FEET; THENCE NORTH 56' 19' 05" EAST, 99.98 FEET; THENCE NORTH 61' 31' 23" EAST, 100.00 FEET; THENCE NORTH

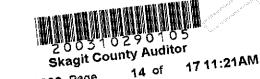
PA/



61" 31' 23" EAST, 199.92 FEET; THENCE NORTH 61" 34" 50" EAST, 24.72 FEET; THENCE NORTHEASTERLY ALONG A NON-TANGENT CURVE,

CONCAVE TO THE SOUTHEAST, WHOSE RADIUS POINT BEARS SOUTH 28° 50' 02" EAST, A DISTANCE OF 1407.40 FEET, THROUGH A CENTRAL ANGLE OF 14° 54' 00" AN ARC DISTANCE OF 366.00 FEET; THENCE NORTH 76' 03' 58" EAST, 191.08 FEET; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 5704.58, THROUGH A CENTRAL ANGLE OF 29' 58", AN ARC DISTANCE OF 647.10 FEET; THENCE NORTH 7' 26' 04" WEST, 8.04 FEET; THENCE NORTH 82" 19' 42" EAST, 472.53 FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 1015.00 FEET, THROUGH A CENTRAL ANGLE OF 6' 16' 21" AN ARC DISTANCE OF 111.12 FEET; THENCE NORTH 76' 03' 21" EAST, 682.24 FEET; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 185.00 FEET; THROUGH A FEET; THENCE NORTH 76" 03" 21" EAST, 682.24 FEET; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 185.00 FEET; THROUGH A CENTRAL ANGLE OF 85" 27" 49" AN ARC DISTANCE OF 275.95; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 540.71, THROUGH A CENTRAL ANGLE OF 13" 09" 17" AN ARC DISTANCE OF 124.14 FEET; THENCE SOUTH 5" 19" 33" EAST, 285.88 FEET; THENCE SOUTH 4" 15" 112" EAST, 155.74 FEET; THENCE SOUTH 1" 25" 44" EAST, 214.22 FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 716.00, THROUGH A CENTRAL ANGLE OF 14" 47" 59" AN ARC DISTANCE OF 184.69 THROUGH A CENTRAL ANGLE OF 14' 47' 59" AN ARC DISTANCE OF 184.69
FEET; THENCE SOUTH 16' 13' 29" EAST, 66.94 FEET; THENCE SOUTH
73' 46' 15" WEST, 15.00 FEET; THENCE SOUTH SOUTHEASTERLY ALONG
A NON-TANGENT CURVE CONCAVE TO THE NORTHEAST WHOSE RADIUS
POINT BEARS NORTH 73' 48' 15" EAST, A DISTANCE OF 984.93 FEET,
THROUGH A CENTRAL ANGLE OF 5' 45' 21" AN ARC DISTANCE OF 98.94
FEET; THENCE SOUTH 21' 59' 04" EAST, 330.00 FEET; THENCE NORTH
68' DO' 55" EAST, 15.00 FEET; THENCE SOUTH 21' 59' 04" EAST, 19.06
FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 1215.00
FEET, THENCE SOUTH 42' 51' 22" EAST, 229.09 FEET; THENCE
ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 585.00 FEET,
THROUGH A CENTRAL ANGLE OF 12' 42' 43" AN ARC DISTANCE OF 151.98
FEET; THENCE SOUTH 30' 08' 39" EAST, 134.62 FEET; THENCE ALONG
A CURVE TO THE RIGHT, HAVING A RADIUS OF 985.00 FEET, THROUGH A FEET; THENCE SOUTH 30' 08' 39" EAST, 134.62 FEET; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 985.00 FEET, THROUGH A CENTRAL ANGLE OF 8' 07' 00" AN ARC DISTANCE OF 139.54 FEET; THENCE SOUTH 22' 01' 40" EAST, 820.90 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "C"; THENCE SOUTH 70' 03' 26" WEST, 524.27 FEET; THENCE SOUTH 22' 09' 34" EAST, 21.92 FEET; THENCE SOUTH 86' 11' 49" EAST, 582.02 FEET; THENCE SOUTH 22' 01' 40" EAST, 357.86 FEET; THENCE ALONG A CURVE TO THE LEFT; HAVING A RADIUS OF 1015.00 FEET, THROUGH A CENTRAL ANGLE OF 11' 06' 24" AN ARC DISTANCE OF 196.76 FEET: THENCE SOUTH 33' 08' 04" FAST, 34 08 357.86 FEET; THENCE ALONG A CORVE TO THE LEFT; TAYANG A KADOS OF 1015.00 FEET, THROUGH A CENTRAL ANGLE OF 11" 06' 24" AN ARC DISTANCE OF 196.76 FEET; THENCE SOUTH 33' 08' 04" EAST, 34.08 FEET; THENCE SOUTH 67" 53' 02" WEST, 160.31 FEET; THENCE SOUTH 89" 28' 02" WEST, 122.11 FEET; THENCE SOUTH 0' 31' 58" EAST, 330.07 FEET; THENCE NORTH 89' 28' 02" EAST, 511.75 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "0"; THENCE SOUTHEASTERLY ALONG A NON-TANGENT CURVE CONCAVE THE SOUTHWEST, WHOSE RADIUS POINT BEARS SOUTH 64' 03' 06" WEST, A DISTANCE OF 885.00 FEET, THROUGH A CENTRAL ANGLE OF 9' 20' 20" AN ARC DISTANCE OF 144.25 FEET; THENCE SOUTH 16' 36' 33" EAST, 234.40 FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 565.00 FEET, THROUGH A CENTRAL ANGLE OF 23' 05' 57' AN ARC DISTANCE OF 227.78 FEET; THENCE SOUTH 39' 42' 30" EAST, 44.95 FEET; THENCE SOUTH 89' 40' 43" WEST, 156.39 FEET; THENCE SOUTH 88' 30' 32" WEST, 113.07 FEET; THENCE SOUTH 89' 35' 50" WEST, 128.44 FEET; THENCE SOUTH 88' 23' 41" WEST, 58.47 FEET; THENCE SOUTH 0' 08' 43" EAST, 292.58 FEET; THENCE NORTH 89' 28' 02" EAST, 661.52 FEET; TO A POINT HERBINAFTER REFERRED TO AS POINT "E"; THENCE SOUTH 21' 31' 51" EAST, 257.17 FEET; THENCE SOUTH 20' 41' 31" EAST, 433.35 FEET; THENCE SOUTH 81' 08' 47" WEST, 405.18 FEET TO THE TRUE POINT OF BEGINNING.

PAGE 2



10/29/2003 Page

EXCEPT THAT PORTION, IF ANY, LYING WITHIN KAVANAUGH ROAD RIGHT OF WAY ESTABLISHED ON MAY 20, 1892. ALSO EXCEPT THOSE PORTIONS CONVEYED TO SKAGIT COUNTY FOR ROADS, RECORDED UNDER AF NO'S 340425 THROUGH 340431, INCLUSIVE: ALSO EXCEPT THAT PORTION CONVEYED TO SKAGIT COUNTY BY DEEDS RECORDED UNDER AF NO'S 430783 AND 430784 FOR HOFFMAN ROAD.

TOGETHER WITH THAT PORTION OF GOVERNMENT LOT 1, OF SECTION 34, AND GOVERNMENT LOT 1 OF SECTION 27, ALL IN TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE AFOREMENTIONED POINT "A": THENCE NORTH B9' 06' 42" EAST, A DISTANCE OF 30.52 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 11' 34' 53" WEST, 556.43 FEET; THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 1215.00 FEET THROUGH A CENTRAL ANGLE OF 11' 23' 27" AN ARC DISTANCE OF 241.55 FEET; THENCE NORTH 22' 58' 20" WEST, 312.20 FEET; THENCE NORTH 20' 41' 31" WEST, 114.65 FEET; THENCE NORTH 66' 14' 17" EAST, 70.33 FEET; THENCE SOUTH 6' 29' 40" EAST, 19.13 FEET; THENCE SOUTH 23' 00' 49" EAST, 589.15 FEET; THENCE SOUTH 12' 39' 38" EAST, 434.95 FEET; THENCE SOUTH 9' 13' 06" EAST, 214.28 FEET; THENCE SOUTH 89' 06' 42" WEST, 80.84 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF GOVERNMENT LOT 2 OF SECTION 34, TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M. DESCRIBED AS FOLLOWS:

COMMENCING AT THE AFOREMENTIONED POINT "B"; THENCE NORTH 89' 11' 24" EAST, A DISTANCE OF 30.12 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 5' 58' 24" WEST, 89.27 FEET; THENCE NORTH 7' 45' 32" WEST, A DISTANCE OF 268.36 FEET; THENCE NORTH 89' 11' 24" EAST, 87.61 FEET; THENCE SOUTH 9' 13' 06" EAST, 197.67 FEET; THENCE SOUTH 4" 25' 36" EAST, 138.12 FEET; THENCE SOUTH 89' 11' 24" WEST, 86.77 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF GOVERNMENT LOT 5 OF SECTION 28, AND THAT PORTION OF GOVERNMENT LOT 1 OF SECTION 27, ALL IN TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M. DESCRIBED AS FOLLOWS:

COMMENCING AT THE AFOREMENTIONED POINT "E"; THENCE NORTH 89' 28' 02" EAST, A DISTANCE OF 32.13 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 21' 31' 51" EAST, 245.86 FEET; THENCE SOUTH 20' 41' 31" EAST, 440.08 FEET; THENCE NORTH 81' 08' 47' EAST, 85.59 FEET; THENCE NORTH 6' 29' 40" WEST, 147.66 FEET; THENCE NORTH 18' 34' 38" WEST, 602.45 FEET; THENCE NORTH 55' 03' 51" WEST, 66.85 FEET; THENCE SOUTH 0' 17' 43" EAST, 128.10 FEET; THENCE SOUTH 89' 28' 02" WEST, 65.48 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF GOVERNMENT LOTS 4 AND 5 OF SECTION 28, TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M. DESCRIBED AS FOLLOWS:

COMMENCING AT THE AFOREMENTIONED POINT "D": THENCE NORTH 89' 28' 02" EAST, 33.09 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89' 28' 02" EAST, 155.18 FEET; THENCE SOUTH 14' 04' 59" EAST, 317.10 FEET; THENCE SOUTH 32' 58' 59" EAST, 319.49 FEET; THENCE SOUTH 89' 28' 02" WEST, 159.96 FEET; THENCE NORTH 39' 42' 30" WEST, 47.08 FEET; THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 535.00 FEET, THROUGH A CENTRAL ANGLE OF 23' 05' 57" AN ARC DISTANCE OF 215.69 FEET; THENCE NORTH 16' 36' 33" WEST, 234.40 FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 915.00 FEET THROUGH A CENTRAL ANGLE OF 8' 26' 59". AN ARC DISTANCE OF 134.94 FEET TO THE TRUE POINT OF BEGINNING.

PAGE 3



TOGETHER WITH THAT PORTION OF SECTION 28, TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M. DESCRIBED AS FOLLOWS:

COMMENCING AT THE AFOREMENTIONED POINT "C"; THENCE NORTH 70° 03' 26" EAST, 30.02 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUE NORTH 70° 03' 26" EAST, 188.24' FEET; THENCE NORTH 23' 42' 29" WEST, 588.16' FEET; THENCE NORTH 28' 33' 29" WEST, 707.53 FEET; THENCE NORTH 44' 18' 59" WEST, 65.05 FEET; THENCE SOUTH 88' 22' 22" WEST, 214.07 FEET; THENCE SOUTH 42' 51' 22" EAST, 182.36 FEET; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 715.00 FEET, THROUGH A CENTRAL ANGLE OF 12' 42' 43" AN ARC DISTANCE OF 158.63 FEET; THENCE SOUTH 30' 08' 39" EAST, 134.62 FEET; THENCE ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 1015.00 FEET, THROUGH A CENTRAL ANGLE OF 8' 07' 00" AN ARC DISTANCE OF 143.79 FEET; THENCE SOUTH 22' 01' 40" EAST, 821.99 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THAT PORTION OF SECTION 28, TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M. DESCRIBED AS FOLLOWS:

COMMENCING AT THE AFOREMENTIONED POINT "C"; THENCE NORTH 70" 03' 26" EAST, 188.24' FEET; THENCE SOUTH 23' 42' 29" EAST 87.76 FEET; THENCE SOUTH 19' 21' 59" EAST 245.31 FEET; TO THE TRUE POINT OF BEGINNING THENCE SOUTH 19' 21' 59" EAST 93.44 FEET THENCE SOUTH 27' 34' 69" EAST 567.55 FEET; THENCE SOUTH 89' 28' 02" WEST 201.74 FEET; THENCE NORTH 33' 08' 04" WEST 123.26 FEET; THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 985.00 FEET THROUGH A CENTRAL ANGLE OF 11' 06' 24" AN ARC DISTANCE OF 190.94 FEET; THENCE NORTH 22' 01' 40" WEST 344.20 FEET; THENCE NORTH 89' 28' 02" EAST 192.70 FEET TO THE TRUE POINT OF BEGINNING,

TOGETHER WITH THAT PORTION OF GOVERNMENT LOT 2, SECTION 28, AND GOVERNMENT LOTS 1, 2, AND 3 OF SECTION 21, AND GOVERNMENT LOT 1 OF SECTION 29, ALL IN TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M. TOGETHER WITH THE SECOND CLASS TIDELANDS ABUTTING THEREON, BOUNDED ON THE SHOREWARD SIDE BY THE NORTHERLY, NORTHWESTERLY AND NORTHEASTERLY MARGIN OF THE RIGHT-OF-WAY OF MARCH POINT ROAD, BOUNDED ON THE SEAWARD SIDE BY THE LINE OF EXTREME LOW TIDE AND BOUNDED ON THE SOUTHEAST SIDE BY THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE AFOREMENTIONED REFERENCE POINT "G": THENCE NORTH 46" EAST, MORE OR LESS, TO THE LINE OF EXTREME LOW TIDE AND THE TERMINUS OF THIS LINE DESCRIPTION, AND FURTHER BOUNDED ON THE SOUTHWEST SIDE BY THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE AFOREMENTIONED REFERENCE POINT "F";
THENCE NORTH 67' 50' 09"WEST TO THE TRUE POINT OF BEGINNING,
THENCE NORTH 56" WEST, MORE OR LESS, TO THE LINE OF
EXTREME LOW TIDE AND THE TERMINUS OF THIS LINE
DESCRIPTION.

EXCEPT THAT PORTION OF GOV'T LOT 1 IN SECTION 29 DESCRIBED AS FOLLOWS: THAT PORTION LYING NORTHWESTERLY OF THE RIGHT OF WAY OF MARCH POINT ROAD AND SOUTHEASTERLY OF THE FOLLOWING DESCRIBED LINE, COMMENCING AT THE AFOREMENTIONED POINT "F" THENCE NORTH 67" 50' 09" WEST, 64.35 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 34" 15' 24" EAST, 488.37 FEET; THENCE NORTH 37" 16' 54" EAST TO THE WESTERLY LINE OF THE PLAT OF " MARCHS POINT TRACTS" AND THE TERMINUS OF THIS LINE DESCRIPTION.

PAGE 4



TOGETHER WITH THAT PORTION OF GOVERNMENT LOT 5 AND 6 OF SECTION 32, AND THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER, OF SECTION 33, ALL IN TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M. DESCRIBED AS FOLLOWS:

A 50-FOOT STRIP OF LAND BEING 25-FEET ON BOTH SIDES OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE AFOREMENTIONED REFERENCE POINT "H";
THENCE SOUTH 2" 17' 19" EAST, 257.22 FEET; THENCE ALONG
A CURVE TO THE LEFT, HAWNG A RADIUS OF 1765.00 FEET,
THROUGH A CENTRAL ANGLE OF 14" 17' 53" AN ARC DISTANCE
OF 440.45 FEET; THENCE SOUTH 16" 35' 12" EAST, 757.42 FEET;
THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 728.05
FEET, THROUGH A CENTRAL ANGLE OF 6" 22' 00" AN ARC
DISTANCE OF 80.90 FEET TO THE TERMINUS OF SAID CENTERLINE
DESCRIPTION.

THE SIDELINES OF SAID 50-FOOT STRIP OF LAND SHALL BE EXTENDED OR TRIMMED SO AS TO FORM A CONTINUOUS LINE ACROSS THE SAID OWNERSHIP. EXCEPT THEREFROM, THAT PORTION LYING WITHIN NORTH TEXAS ROAD.

PAGE 5

