North Carolina
Department of Administration

Beverly Eaves Perdue, Governor

Britt Cobb, Secretary

May 22, 2009

Chancellor H. Holden Thorp
University of North Carolina at Chapel Hill
Office of the Chancellor
Campus Box 9100
Chapel Hill, NC 27599-9100

68-041.041

Secretary Dee A. Freeman
N. C. Department of Environment and Natural Resources
Mail Service Center 1601
Raleigh, North Carolina 27699-1601

Re: Letter of Reallocation
Reallocation of a wetland restoration project along Morgan Creek
From the University of North Carolina at Chapel Hill to the
N.C. Department of Environment and Natural Resources,
Ecosystem Enhancement Program

Dear Chancellor Thorp and Secretary Freeman:

Pursuant to an agreement between the University of North Carolina at Chapel Hill and the N.C. Department of Environment and Natural Resources, Ecosystem Enhancement Program dated August 6, 2004, (the "Agreement") and pursuant to the authority vested in me by the N.C.G.S. § 143-341(4) (g), the following described property located in Orange County and Durham County, North Carolina, is reallocated by conservation easement for the restoration, enhancement, and preservation project of the Morgan Creek Floodplain.

The University of North Carolina at Chapel Hill has management interest in real property as allocated by the N.C. Department of Administration that is situated, lying, and being in the Mason Farm Preserve, Orange and Durham Counties, North Carolina (the "**Property**"), and being more particularly described as that certain parcels of land containing approximately 757.69 acres with tax parcel identification numbers 9798518134 and 979804708300, as recorded in the Orange County Registry and Durham County Registry, respectively.

Mailing Address:
1301 Mail Service Center
Raleigh, N.C. 27699-1301

Telephone (919) 807-2425
Fax (919) 733-9571
State Courier #51-01-00
e-mail: britt.cobb@doa.nc.gov

Location:
116 West Jones Street
Raleigh, North Carolina

An Equal Opportunity/Affirmative Action Employer

The University of North Carolina at Chapel Hill agrees to an administrative reallocation of a conservation easement over the herein described areas of the Property, thereby restricting and limiting the use of the included areas of the Property to the terms and conditions and purposes hereinafter set forth and set forth in the Agreement. This administrative reallocation by conservation easement shall be for the protection and benefit of the waters of Morgan Creek and its Floodplain.

REALLOCATION DECLARATIONS AND RESTRICTIONS

It is the intent of the N.C. Ecosystem Enhancement Program to perform stream and/or wetland restoration, enhancement, and preservation on the Property as described in this Letter of Reallocation. In consideration of this project, the N.C. Ecosystem Enhancement Program has required that these Declarations and Restrictions be observed, and the State sets aside, declares, reserves and recognizes, for all related State Agencies, administratively reallocates a perpetual floodplain area by conservation easement.

Being a reallocation of a conservation easement of the nature and character and to the extent hereinafter set forth, over the described areas of the Property, referred to hereafter as the "**Allocated Conservation Easement Area**", and being all of Tract I as identified on the attached survey entitled, "Allocated Conservation Easement Survey for the State of North Carolina, Ecosystem Enhancement Program, SPO File No. 068-ZZT, NC EEP Project No. 258, Morgan Creek Floodplain, Property of State of North Carolina UNC-Chapel Hill, Mason Farm Preserve and certified by Douglas R. Yarbrough, NC PLS Number L-3395, with revised date of March 5, 2009.

The Allocated Easement Area is subject to the restrictions as recited below and will be forever conserved and managed in a manner that will improve and protect the quality of the waters of Morgan Creek and its Floodplain, and otherwise promote the public purposes authorized under the provisions of N.C. General Statute § 143-214.8.

[See Attached Survey Exhibit]

The purposes of these restrictions are to maintain, restore, enhance, create and preserve wetland and/or riparian resources within the Allocated Easement Area that contribute to the protection and improvement of water quality, flood prevention, fisheries, aquatic habitat, wildlife habitat, recreation, and scientific studies and research opportunities; to maintain permanently the Allocated Easement Area in its natural condition, consistent with these purposes; and to prevent any use of the Allocated Easement Area that will significantly impair or interfere with these purposes. To achieve these purposes, the following conditions and restrictions are set forth:

RESERVED USES AND RESTRICTED ACTIVITES

A. Motorized Vehicles. Usage of motorized vehicles in the Allocated Easement Area is prohibited, except as they are used exclusively for management, maintenance, or stewardship purposes.

B. Vegetative Cutting. Except as related to the removal of non-native plants, diseased or damaged trees, and vegetation that obstructs, destabilizes or renders unsafe the Allocated Easement Area to persons or natural habitat, all cutting, removal, mowing, harming, or destruction of any trees and vegetation in the Allocated Easement Area is prohibited.

C. Industrial, Agricultural, Residential and Commercial Uses. All are prohibited in the Allocated Easement Area.

D. New Construction. There shall be no building, facility, mobile home, antenna, utility pole, tower, or other structure constructed or placed in the Allocated Easement Area.

E. Roads and Trails. There shall be no new construction of roads, trails, walkways, or paving in the Allocated Easement Area. Existing roads or trails located in the Allocated Easement Area may be maintained in order to minimize runoff, sedimentation and for access to the interior of the Property for management, maintenance, stewardship purposes, or undeveloped recreational and educational uses of the Allocated Easement Area. Existing roads, trails or paths may be maintained with loose gravel, soil, or permanent vegetation to stabilize or cover the surfaces.

F. Signs. No signs shall be permitted in the Allocated Easement Area except interpretive signs describing restoration activities and the conservation values of the Allocated Easement Area, signs identifying the owner of the Property, signs giving directions, or signs prescribing rules and regulations for the use of the Allocated Easement Area may be allowed.

G. Dumping or Storing. Dumping or storage of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances or machinery, or other material in the Allocated Easement Area is prohibited.

H. Grading, Mineral Use, Excavation, Dredging. Unless related to approved restoration activities, there shall be no grading, filling, excavation, dredging, mining, or drilling within the Allocated Easement Area.

I. Water Quality and Drainage Patterns. Unless related to approved restoration activities, there shall be no diking, draining, dredging, channeling, filling, leveling, pumping, impounding or diverting, causing, allowing or permitting the diversion of surface or underground water in the Allocated Easement Area. No altering or tampering with water control structures or devices, or disruption or alteration of the restored, enhanced, or created drainage patterns. Any use of pesticide or biocides is prohibited, except for their use in the control and removal of exotic invasive species. In the event of an emergency interruption or shortage of all other water sources, water from within the Allocated Easement Area may temporarily be used for good cause shown as needed for the survival of livestock and agricultural production.

J. Subdivision and Conveyance. No further subdivision, partitioning, or dividing of the Allocated Easement Area is allowed.

K. Disturbance of Natural Features. Any change, disturbance, alteration or impairment of the natural features of the Allocated Easement Area or any intentional introduction of non-native plants, trees and/or animal species is prohibited.

L. Restoration Activities Are Permitted. Includes but not limited to planting of trees, shrubs and herbaceous vegetation, removal of invasive exotic species, installation of monitoring wells, utilization of heavy equipment to grade, fill, and prepare the soil, modification of the hydrology of the site, and installation of natural and manmade materials as needed to direct in-stream, above ground, and subterraneous water flow according to a restoration plan as provided, contracted, or managed by the N.C. Ecosystem Enhancement Program.

M. Permission. Permission to vary from the above restrictions may be granted by the N.C. Ecosystem Enhancement Program for good cause shown, provided that any such request is consistent with the purposes of these restrictions. Permission and approval to vary must be obtained in writing from the N.C. Ecosystem Enhancement Program, whose mailing address is 1652 Mail Services Center, Raleigh, NC 27699-1652.

N. Enforcement. The right of enforcement of these restrictions is hereby granted to and vested entirely with the N.C. Ecosystem Enhancement Program, its successors and assigns. All remaining rights not restricted by the terms of this reallocation of conservation easement shall be retained by the University of North Carolina at Chapel Hill.

O. Ingress, Egress, and Inspection. The N.C. Department of Environment and Natural Resources, Ecosystem Enhancement Program, its employees and agents, successors and assigns, receive the perpetual right of general ingress, egress, and inspection to the Allocated Easement Area over the Property at reasonable times to undertake any activities to restore, manage, maintain, enhance, and monitor the wetland and riparian resources of the Allocated Easement Area, in accordance with restoration activities or a long-term management plan. Unless otherwise specifically set forth in this reallocation of Conservation Allocated Easement, the rights granted herein do not include or establish for the public any access rights.

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This allocation is made at no cost or consideration to the N.C. Department of Environment and Natural Resources, Ecosystem Enhancement Program other than performance, completion and management of the restoration activities as described.

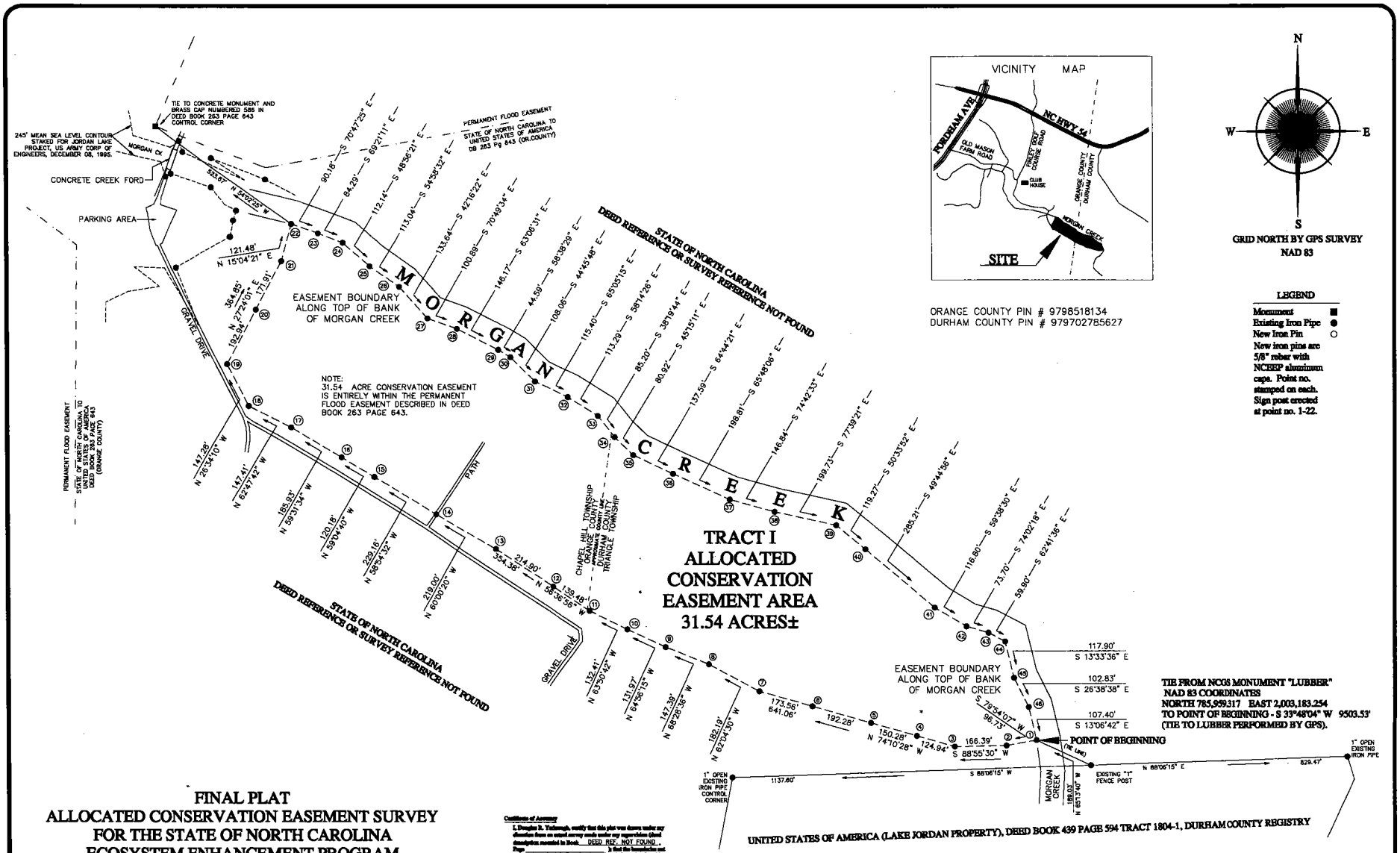
Sincerely,

Britt Cobb

CONSENTED AND AGREED TO:

H. Holden Thorp, Chancellor
University of North Carolina at Chapel Hill

Dee A. Freeman, Secretary
Department of Environment and Natural Resources



FINAL PLAT
ALLOCATED CONSERVATION EASEMENT SURVEY
FOR THE STATE OF NORTH CAROLINA
ECOSYSTEM ENHANCEMENT PROGRAM

SPO FILE No. 068-ZZT **NC EEP PROJECT No. 258**

PROJECT NAME: MORGAN CREEK FLOODPLAIN PROPERTY OF

STATE OF NORTH CAROLINA UNC-CHAPEL HILL MASON FARM PRESERVE

TRIANGLE TOWNSHIP DURHAM COUNTY NORTH CAROLINA

CHAPEL HILL TOWNSHIP ORANGE COUNTY NORTH CAROLINA

DATE 09/19/08 SCALE 1" = 200'

GRAPHIC SCALE 0 100 200 400 600

LANDMARK SURVEYING, INC. 109 E. HARDEN STREET GRAHAM, N.C. 27253
TELEPHONE: 336-229-6275 FACSIMILE: 336-227-5919

FILE 080810 DISC D080810 SURVEY BY RMW DWG BY DMcP APP'D BY DRY

REVISED MARCH 05, 2009: ADDED "ALLOCATED".

Certificate of Accuracy

I, Douglas R. Yarbrough, certify that this plat was drawn under my direction from an actual survey made under my supervision (deed description recorded in Book DEED REF. NOT FOUND Page), that the boundaries not surveyed are clearly indicated as drawn from information found in Book , Page , that the ratio of precision as calculated is 1:10,000; that this plat was prepared in accordance to G.S. 47-30 as amended. Witness my original signature, license number and seal this 02 day of MARCH, 2009.

Douglas R. Yarbrough Professional Land Surveyor PLS L-3395

I, DOUGLAS R. YARBROUGH, PROFESSIONAL LAND SURVEYOR NO. L-3395, CERTIFY TO ONE OF THE FOLLOWING:

- ☐ A. This survey creates a subdivision of land within the area of a county or municipality that has an ordinance that regulates parcels of land.
- ☐ B. This survey is located in such portion of a county or municipality that is unregulated as to an ordinance that regulates parcels of land.
- ☐ C. Any one of the following:
  1. That the survey is of an existing parcel or parcels of land and does not create a new street or change an existing street.
  2. That the survey is of an existing building or other structure, or natural feature, such as a watercourse, or
  3. That the survey is a control survey.
- ■ D. This survey is of another category, such as the recombination of existing parcels, a court-ordered survey, or other exception to the definition of subdivision.
- ☐ E. The information available to the surveyor is such that the surveyor is unable to make a determination to the best of his or her professional ability as to provisions contained in 1-4 above.

Douglas R. Yarbrough, Professional Land Surveyor PLS L-3395

NORTH CAROLINA PROFESSIONAL SEAL L-3395 LAND SURVEYOR DOUGLAS R. YARBROUGH

LANDMARK SURVEYING, INC.