

**LAND EXCHANGE AGREEMENT**  
**[R&T Draft Version 5-22-2024]**

This Land Exchange Agreement (this “**Agreement**”) is entered into by and between the Los Cerritos Wetlands Authority, a joint powers authority formed by the California Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Long Beach and the City of Seal Beach (“**LCWA**”), and Los Cerritos Wetlands, LLC, a California limited liability company (the “**Company**”) as of \_\_\_\_\_ (the “**Effective Date**”). LCWA and the Company are sometimes referred to herein individually as a “**Party**” and together as the “**Parties**.”

**R E C I T A L S**

A. Prior to or concurrently with the execution of this Agreement, the Parties have entered into a Second Amended and Restated Option Agreement, the approved form of which is attached hereto as Exhibit “A” (“**Option Agreement**”), pursuant to which LCWA granted an option (“**Option**”) to the Company to acquire an approximately 5.1 acre parcel of property owned by LCWA as described and depicted in Exhibit “B” (hereafter the “**LCWA Site**”) in exchange for LCWA acquiring interests in certain of the Company properties, referred to in this Agreement as the “**Mitigation Bank Site**,” “**Revegetation Site**,” and “**Public Access Improvements Site**” (collectively, the “**Company Site**”), each as more particularly described below (collectively, the “**Land Exchange**”):

1. The Mitigation Bank Site consists of approximately 77.3 acres, including approximately 67.9 acres that will be designated by the U.S. Army Corps of Engineers (the “**Army Corps**”) and the California Coastal Commission as the Upper Los Cerritos Wetlands Mitigation Bank, pursuant to that certain Bank Enabling Instrument (Upper Los Cerritos Wetlands Mitigation Bank) dated as of July 24, 2023, by and between the Company and the Army Corps (as may be amended from time to time, the “**BEI**”), as well as approximately 9.4 acres of additional open space over which the Company reserves the right to enter onto to implement a mitigation bank restoration plan pursuant to the BEI. The Company’s obligations to implement the BEI mitigation bank restoration plan includes, but is not limited to, implementation of the IRT-approved Mitigation Bank Development Plan (BEI Exhibit C) and Interim Management Plan (BEI Exhibit D-4). Company shall retain all proceeds associated with the sale of wetlands mitigation credits in accordance with the BEI in perpetuity, unless such proceeds are applied to offset the differential in land values as more particularly set forth in Section 5(a)(x)(B) below. The Mitigation Bank Site is more particularly described and depicted in Exhibit “C”.

2. The Revegetation Site consists of approximately 69.92 acres located on the southerly portion of the Company’s property commonly referred to as the Synergy Oil Field, and is more particularly described and depicted in Exhibit “D”. The Company shall retain the right in perpetuity to establish and maintain a mitigation bank on the Revegetation Site at its discretion, which may be accomplished by amendment to the BEI for the Upper Los Cerritos Wetlands Mitigation Bank, and to retain all proceeds associated with the sale of wetlands mitigation credits in accordance with the BEI, unless such proceeds are applied to offset the differential in land values as more particularly set forth in Section 5(a)(x)(B) below. LCWA shall bear no responsibilities

related to any mitigation bank as may be established on the Revegetation Site, unless expressly agreed to by separate agreement between the Parties.

3. The Public Access Improvements Site consists of approximately 2.95 acres, which include an existing building that is intended to be used by LCWA as a Visitors' Center, a parking lot, and a planned public access trail constructed by the Company along the perimeter of the Mitigation Bank Site, and is described and depicted in **Exhibit "E"**.

B. The Parties desire to enter into this Agreement in furtherance of the Option Agreement and to more fully set forth the terms of the Land Exchange.

C. The Land Exchange contemplated hereby is intended to help LCWA further its goals and mission to provide for a comprehensive program of acquisition, protection, conservation, restoration, maintenance and operation and environmental enhancement of the Los Cerritos Wetlands area consistent with the goals of flood protection, habitat protection and restoration, and improved water supply, water quality, groundwater recharge, and water conservation.

## **AGREEMENT**

NOW THEREFORE, for good, valuable and sufficient consideration received, including without limitation LCWA's granting of the "**Option**" (as defined in the Option Agreement) and the "**Option Consideration**" (as defined in the Option Agreement), the Parties covenant and agree as follows:

1. **EXERCISE OF OPTION.** This Agreement shall become effective as of the Effective Date; however, the obligations set forth in this Agreement shall not arise until the Company has exercised the Option in accordance with the terms and provisions of the Option Agreement and this Agreement (the "**Exercise Date**").

2. **CONVEYANCE OF PROPERTIES UPON EXERCISE OF OPTION.** Upon the Option being exercised, the Company and LCWA shall convey the following interests in their respective properties (with the condition of title as set forth in Section 4 below), as follows:

(a) Conveyance by the Company of the Mitigation Bank Site to LCWA by grant deed in the form attached to this Agreement as **Exhibit "F"** (the "**Mitigation Bank Site Grant Deed**");

(b) Conveyance by LCWA of the LCWA Site to the Company by grant deed in the form attached to this Agreement as **Exhibit "G"** (the "**LCWA Site Grant Deed**"), subject to the Oil & Gas Deed Restriction (as defined herein);

(c) Recordation of an irrevocable offer to dedicate by the Company to LCWA of the Revegetation Site in the form attached to this Agreement as **Exhibit "H"** (the "**Revegetation Site OTD**"); and

(d) Recordation of an irrevocable offer to dedicate by the Company to LCWA of the Public Access Improvements Site in the form attached to this Agreement as **Exhibit “I”** (the “**Public Access Improvements Site OTD**”).

### 3. ESCROW.

(a) **Opening of Escrow.** Within ten (10) days following the Exercise Date, the Parties shall deliver this executed Agreement to, and open an escrow (the “**Escrow**”) with, Fidelity National Title Insurance Company (the “**Escrow Holder**”). Escrow Holder shall notify the Parties, in writing, of the date of the opening of the escrow. The Parties shall execute, deliver and be bound by any reasonable or customary supplemental escrow instructions of Escrow Holder or other instruments as may reasonably be required by Escrow Holder in order to consummate the transactions contemplated by this Agreement. Unless otherwise agreed to by the Parties in writing, any such supplemental instructions or other instruments shall not conflict with, amend or supersede any portions of this Agreement. To the extent of any inconsistency between the provisions of such supplemental instructions or other instruments and the provisions of this Agreement, the provisions of this Agreement shall control.

(b) **Closing.** For purposes of this Agreement, the “**Closing**” shall be deemed to have occurred on the date when all of the documents listed in Section 2 of this Agreement have been recorded in the Official Records of Los Angeles County, California (the “**Closing Date**”). The Closing shall occur no later than the date that is the later of (i) five (5) business days following the date upon which all conditions to Closing described in Section 5 have been satisfied, or (ii) ninety (90) days from the Exercise Date.

### 4. TITLE.

(a) **Title Insurance.** The conveyance of title to the LCWA Site to the Company at the Closing, and the conveyance of the Mitigation Bank Site to LCWA at the Closing, and the future conveyance of title to the Revegetation Site and the Public Access Improvements Site to LCWA when LCWA accepts the irrevocable offers of dedication for those sites, shall each be insured by an extended coverage ALTA Owner’s Policy of Title Insurance (“**Title Policy**”), issued by Fidelity National Title Insurance Company (“**Title Company**”), with a liability amount equal to the appraised value of each such property, as approved, individually or collectively, by the Department of General Services (“**DGS**”) and as more fully described in Section 3(b) of the Option Agreement, showing title to the applicable property vested in the Party acquiring that property, subject only to the Condition of Title (defined in Section 4(e) below) for that property as agreed upon in accordance with the terms of this Agreement. Each Title Policy may include such endorsements as may be requested by and paid for by a Party for whose benefit the Title Policy is issued, but Title Company’s willingness or failure to issue any or all such endorsements shall not be a condition to Closing or otherwise entitle a Party to terminate this Agreement.

(b) **LCWA Site.** Upon the Closing, the condition of title for the LCWA Site shall be as shown on that certain Preliminary Report issued by the Title Company under Order No. 997-30046857 with an effective date of April 22, 2024 and last amended May 3, 2024, a copy of which the Company acknowledges having received and reviewed, except as may otherwise be

agreed by the Company and Title Company; provided, however, that prior to the Closing, LCWA shall have recorded a deed restriction in substantially the form attached hereto as Exhibit “J” (the “Oil & Gas Deed Restriction”).

(c) **Mitigation Bank Site.** Upon the Closing, the condition of title for the Mitigation Bank Site shall be as shown on that certain Preliminary Report issued by the Title Company under Order No. [ORDER NUMBER], with an effective date of [DATE], a copy of which LCWA acknowledges having received and reviewed, and clear of (1) any deed restrictions or other recorded covenants, agreements, or restrictions that would prohibit use of the Mitigation Bank Site for wetlands restoration and public access purposes, except: (i) as may otherwise be agreed by LCWA and Title Company, (ii) the Company shall either (A) cause to be removed as a title exception the Notice of Violation shown as Exception 17 in the Title Report, or (B) if such exception cannot be removed, the Company shall indemnify LCWA in connection therewith as more particularly set forth in Section 4(f) below, (iii) the Conservation Easement (as hereinafter defined), which may be recorded against the Mitigation Bank Site either before or after the Closing, and (iv) the mineral, oil and gas rights that are 500 feet and below ground surface shall be excluded from the interest being acquired by LCWA, and (2) that certain Deed of Trust, Assignment of Leases and Rents, Security Agreement, and Fixture Filing recorded on December 29, 2023 in the Recorder’s Office of Los Angeles County, California as Instrument No. 2023919910 (the “Munich DoT”)

(d) **Revegetation Site and Public Access Improvements Site.** When LCWA accepts the offer of dedication to the Revegetation Site the condition of title shall be as shown on that certain Preliminary Report issued by the Title Company under Order No. [ORDER NUMBER], with an effective date of [DATE]. When LCWA accepts the offer of dedication to the Public Access Improvements Site, the condition of title shall be as shown on certain Preliminary Report issued by the Title Company under Order No. [ORDER NUMBER], with an effective date of [DATE]. Further, both the Revegetation Site and the Public Access Improvements Site shall be clear of any deed restrictions or other recorded covenants, agreements, or restrictions that would prohibit use of the sites for wetlands restoration and public access purposes, except: (i) as may otherwise be agreed by LCWA and Title Company; (ii) the Company shall either (A) cause to be removed as a title exception the Notice of Violation shown as Exception 17 in the Title Report, or (B) if such exception cannot be removed, the Company shall indemnify LCWA in connection therewith as more particularly set forth in Section 4(f) below, (iii) the Conservation Easement which may be recorded against the Revegetation Site either before or after the Closing; and (iv) all mineral, oil and gas rights that are 500 feet and below ground surface shall be excluded from the interest being acquired by LCWA.

(e) **Condition of Title.** The condition of title for each property as determined in accordance with subsections 4(a) through 4(d) above shall be the “**Condition of Title**” for that property.

(f) **Notice of Violation.** The Parties acknowledge that on July 24, 2007, the California Coastal Commission recorded a Notice of Violation of the Coastal Act (“**Notice of Violation**”) against all of the real property owned by Company, including without limitation the Mitigation Bank Site, the Revegetation Site and the Public Access Improvements Site. In the event the Company is not able to cause the Notice of Violation to be terminated of record prior to the

conveyance of the Mitigation Bank Site, the Revegetation Site and/or the Public Access Improvements Site to LCWA, the Company shall (i) assume responsibility for complying with any and all mitigation requirements required to resolve the Notice of Violation, and (ii) indemnify LCWA for all Claims (as hereinafter defined) incurred by LCWA arising out of or in any way related to the Notice of Violation. In no event shall LCWA be responsible or liable for any obligations related to the Notice of Violation, including without limitation, any mitigation requirements, fines, damages, monetary assessments, or other requirements resulting from any enforcement actions as may be taken by the California Coastal Commission or other entity with jurisdiction related to the Notice of Violation. Any such obligations shall remain the responsibility of the Company and its successors or assigns, and all such obligations shall survive the Closing.

(g) **No Further Encumbrances.** Each Party shall cause to be removed from their respective properties any additional or new title exceptions which arise between the date of the respective title reports described above and the Closing Date (except as may otherwise be agreed in writing by the other Party).

## 5. CONDITIONS TO CLOSING.

(a) **Conditions to LCWA's Obligations to Close.** LCWA's obligation to close as contemplated by this Agreement is subject to the satisfaction or written waiver, in LCWA's sole discretion, of the following conditions for LCWA's benefit:

(i) As of the Closing, the Company shall not be in default of its obligations under this Agreement.

(ii) Company or LCWA has recorded the Oil & Gas Deed Restriction.

(iii) If the Company has initiated the restoration work on the Mitigation Bank Site pursuant to the BEI prior to exercise of the Option, the Company shall represent in writing to LCWA that the Company is not in default with the requirements of the BEI's Development Plan (BEI Exhibit C), Interim Management Plan (BEI Exhibit D-4), or Long Term Management Plan (BEI Exhibit D-5) if applicable, all of which are hereby incorporated herein by reference as if fully attached hereto.

(iv) If the Company established a mitigation bank on the Revegetation Site and has initiated the restoration work on the Revegetation Site pursuant to the applicable BEI prior to exercise of the Option, the Company shall represent in writing to LCWA that the Company is not in default with the requirements of the applicable BEI's Development Plan, Interim Management Plan, or Long Term Management Plan if applicable.

(v) As of the Closing, Title Company is irrevocably committed to issuing in favor of LCWA the Title Policy as to the Mitigation Bank Site described above.

(vi) The Company has recorded the conservation easement over the approved 67.90 acre mitigation bank area within the Mitigation Bank Site as contemplated by and otherwise in accordance with the BEI (the "Mitigation Bank Site Conservation Easement");

provided, however, that in the event the Mitigation Bank Site Conservation Easement has not been recorded on or prior to the Closing, this condition shall be automatically waived and LCWA shall cooperate with the Company as may be necessary in order to record the Mitigation Bank Site Conservation Easement following the Closing. The Mitigation Bank Site Conservation Easement and BEI are incorporated by reference herein.

(vii) If Company has established a mitigation bank on the Revegetation Site, the Company has recorded a conservation easement over the 69.92 acre additional mitigation bank area outside of the area within the Mitigation Bank Site as contemplated by and otherwise in accordance with and amended BEI (the "**Revegetation Site Conservation Easement**"); provided, however, that in the event the Revegetation Site Conservation Easement has not been recorded on or prior to the Closing, this condition shall be automatically waived and LCWA shall cooperate with the Company as may be necessary in order to record the Revegetation Site Conservation Easement following the Closing.

(viii) The Company shall not be in material default under the Section XII.E. of the BEI beyond any applicable cure periods therein.

(ix) The Company has obtained one or more insurance policies naming LCWA as an additional insured party providing, at a minimum, coverage for the Mitigation Bank Site, Revegetation Site, and the Public Access Improvements Site and covering any pollution liability, environmental liability, petroleum related pollution, asbestos related pollution, or any combination thereof, with a limit no less than \$1,000,000 per claim or occurrence and \$10,000,000 aggregate per policy period of one year, with the Company responsible for all costs not covered by the policy including but not limited to any deductible, and self-insured retention. The insurance shall be maintained in full force and effect until Company commenced construction on the Public Access Improvements Site.

(x) The Company shall compensate LCWA in an amount of the difference between the appraised value of the LCWA Site and the appraised aggregate value of the Mitigation Bank Site, Revegetation Site and Public Access Improvements Site but only in the event and to the extent that the LCWA Site's appraised value exceeds the aggregate appraised value of the Mitigation Bank Site, Revegetation Site and Public Access Improvements Site (the "**Excess Land Value**"); provided, however, that the Company may fulfill the foregoing compensation obligation through (A) the performance of certain improvements of the Company property to be reasonably agreed upon by the Parties, and/or (B) through payment to LCWA of a portion of the proceeds received from the sale of wetlands mitigation credits for the Mitigation Bank Site and/or Revegetation Site on a schedule reasonably agreed upon by the Parties, and/or (C) such other compensation as may be reasonably agreed upon by the Parties. In the event the aggregate appraised value of the Mitigation Bank Site, Revegetation Site and Public Access Improvements Site exceed the value of the LCWA Site, the Company intends that any excess value of its properties be conveyed to LCWA in furtherance of LCWA's mission to provide for a comprehensive program of acquisition, protection, conservation, restoration, maintenance and operation and environmental enhancement of the Los Cerritos Wetlands area consistent with the goals of flood protection, habitat protection and restoration, and improved water supply, water quality, groundwater recharge, and water conservation.

(xi) If the Long Term Management Plan, Conservation Easement, or Endowment Agreement to fund the activities of the Southwest Resource Management Association required under the BEI is modified or proposed to be modified before the Closing, Company has notified LCWA and provided LCWA with a reasonable opportunity to review and provide comments to Company and the IRT.

(xii) If the Mitigation Bank Site is damaged in a manner described in Section VIII.B.5 of the BEI at any time prior to the commencement of Long Term Management Plan implementation as required under the BEI, then the Company will notify LCWA and will fully comply with the terms of the BEI, as determined by the IRT, with respect to repairing or remedying such damage.

(xiii) If the Conservation Easement has been recorded, the Company has complied with any notice provisions pursuant to the Conservation Easement regarding conveyance of the Mitigation Bank Site and has obtained any consents required thereby.

(xiv) The California Coastal Conservancy Executive Director has approved:

(A) All relevant documents for the land exchange including, without limitation, the appraisal or appraisals, the independent review of the appraisal or appraisals by DGS, Land Exchange Agreement, deeds and irrevocable offers to dedicate, escrow instructions, and title report; and

(B) Evidence that the Company Site has either the same or greater value as the LCWA Site, or, if the Company Site has a lesser value than the LCWA Site, evidence that LCWA will receive additional financial benefits equal to the difference between the OTD parcel and the Company Site. The value of the Company Site and the LCWA Site must be the fair market value as established in an appraisal or appraisals approved by DGS.

(b) **Conditions to the Company's Obligations to Close.** The Company's obligation to close as contemplated by this Agreement is subject to the satisfaction or written waiver, in the Company's sole discretion, of the following conditions for the Company's benefit:

(i) As of the Closing, LCWA shall not be in default of its obligations under this Agreement.

(ii) As of the Closing, Title Company is irrevocably committed to issuing in favor of the Company the Title Policy described above with respect to the LCWA Site.

## 6. DELIVERIES TO ESCROW HOLDER.

(a) **By the Company.** At least one (1) business day prior to the Closing, the Company shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

- (i) The Mitigation Bank Site Grant Deed;
- (ii) The Revegetation Site OTD;
- (iii) The Public Access OTD;
- (iv) Oil & Gas Deed Restriction;
- (v) Proof of the insurance required pursuant to Section 5(a)(ix) above;
- (vi) Reconveyance of the Munich DoT as to the Mitigation Bank Site

(provided, however, that any such reconveyance may be recorded following the Closing so long as the Title Company has agreed to issue any Title Policy covering the Mitigation Bank Site in favor of LCWA free and clear of the Munich DoT); and

(vii) Such other documents and instruments as may be reasonably requested by Title Company or Escrow Holder to consummate the transactions contemplated herein.

(b) **By LCWA.** At least one (1) business day prior to the Closing, LCWA shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

- (i) LCWA Site Grant Deed;
- (ii) Executed Certificate of Acceptance of the Mitigation Bank Site Property;
- (iii) An assignment of the lease between LCWA and the tenant currently operating on the LCWA Site from LCWA, as “landlord” thereunder to the Company; and
- (iv) Such other documents and instruments as may be reasonably requested by Title Company or Escrow Holder to consummate the transactions contemplated herein.

## 7. TRANSFER OF THE REVEGETATION SITE AND PUBLIC ACCESS IMPROVEMENTS SITE.

(a) Upon LCWA’s acceptance of the Irrevocable Offer of Dedication to the Revegetation Site (“**Revegetation Site OTD**”) and the Irrevocable Offer of Dedication to the Public Access Improvements Site (“**Public Access OTD**”), the Parties will provide for the conveyance of the Revegetation Site and the Public Access Improvements Site pursuant to the terms of the Revegetation Site OTD and the Public Access OTD.

(b) The Parties recognize the transfer of the Revegetation Site may take more than ten (10) years to complete. Accordingly, the Company waives any defenses to LCWA’s acceptance of the Irrevocable Offers of Dedication for that site based on Probate Code Division 11, Part 2, Chapter 1, Article 2 (commencing with section 21205).

## 8. COSTS AND EXPENSES.

(a) The Company shall pay the following costs and expenses:

- (i) County and (if applicable) City transfer taxes;
- (ii) The premium for the Title Policies described above;

(iii) The escrow fees charged by Escrow Holder; and  
(iv) The cost of recording (if applicable) the LCWA Site Grant Deed, the Mitigation Site Grant Deed, the Revegetation Site OTD and the Public Access OTD, and any other documents recorded in relation to the land exchange.

(b) All closing costs mutually agreed upon by the Parties, not otherwise described in Section 7(a) above, shall be paid by the Company.

**9. PRORATIONS.** The following prorations shall be made between the Company and LCWA on the Closing, computed as of the Closing:

(a) Taxes and Assessments:

(i) Assessments (if any) shall be prorated as of 12:01 a.m. on the date of the Closing as to the Mitigation Banks Site, and on the respective dates on which LCWA accepts the OTDs for the Revegetation Site and the Public Access Improvements Site.

(ii) Property taxes will not need to be prorated as LCWA is tax exempt. the Company shall pay all property taxes which are due and payable as of the Closing Date as to the Mitigation Bank Site prior to the Closing, and shall pay all property taxes on the properties subject to the two OTDs through and including the tax period in which LCWA accepts each such property. The Company may apply for a refund for that portion of taxes and assessments allocated to any period after the Closing, the acceptance of either OTD in accordance with the applicable provisions of the Revenue and Taxation Code. LCWA shall cooperate in good faith with any attempt by the Company to obtain a refund of overpaid property taxes.

(b) Utilities:

(i) LCWA and the Company shall cooperate to arrange for all utility services to the Mitigation Bank Site to be discontinued in the Company's name and to be reinstated in LCWA's name within 30 days after the Closing.

(ii) LCWA and the Company shall cooperate to arrange for all utility services to the LCWA Site to be discontinued in LCWA's name and reinstated in the Company's name within 30 days after the Closing.

**10. INDEMNITY.** Except with respect to a material breach by LCWA of a covenant set forth in this Agreement, the Company and its sole member (collectively, the "**Company Parties**"), shall, to the fullest extent permitted by law indemnify, defend, protect and hold harmless LCWA, its constituent members, directors, officers, agents, attorneys, and employees (collectively, "**LCWA Indemnitees**"), from and against any and all liabilities, complaints, claims, actions, causes of action, proceedings, judgments, orders, liens, damages, costs, expenses (including, but not limited to, all actual litigation costs incurred by LCWA Indemnitees, and any fees and costs for expert witnesses, consultants and attorneys), fines, fees, penalties and losses, including attorneys' fees (collectively, "**Claims**"), incurred by LCWA arising out of or in any way related to this Agreement. The foregoing obligations include, but are not limited to, Claims arising

from third parties related to claims that wastes generated from any Company Parties' activities or omissions were not properly disposed of by the Company Parties; Claims that real or personal property have been damaged; Claims of bodily injury; Claims related to any alleged violations of any applicable laws by the Company Parties; Claims brought by any regulatory agency to recover its costs (including but not limited to response or oversight costs); Claims related to any Hazardous and Petroleum Substances and Materials (defined below) that are located on or within the Mitigation Site Bank, Revegetation Site, Public Access Improvements Site, or any combination thereof; and Claims that relate to or in any way arise from the Company's obligations or responsibilities in its role as the Mitigation Bank Sponsor pursuant to any approved BEI. For purposes of this Agreement, "**Hazardous and Petroleum Substances and Materials**" includes, without limitation, any of the following wastes, materials, chemicals, or other substances (whether in the form of liquids, solids, or gases, and whether or not airborne) which are ignitable, reactive, corrosive, toxic, or radioactive, or which are deemed to be pollutants, contaminants, or hazardous or toxic substances under or pursuant to, or which are to any extent regulated by or under or form the basis of liability under any statute, regulation, rule, ordinance, order, or requirement concerning such wastes, materials, chemicals, or other substances (in each case, an "**Environmental Law**"), including, but not limited to, petroleum-based products, formaldehyde, urea, natural gas, natural gas liquids, liquified natural gas, or synthetic gas useable for fuel or mixture thereof, radon, asbestos and any byproduct of the same and any material containing or producing any polychlorinated biphenyl, dioxin, or asbestos, as well as any biocide, herbicide, insecticide, or other agrichemical, at any level that may (i) constitute a present or potential threat to human health, safety, welfare, or the environment, (ii) exceed any applicable or relevant and appropriate cleanup standard, or (iii) cause any person to incur any investigation, removal, remediation, maintenance, abatement, or other cleanup expense; it being understood that such Environmental Laws include, but are not limited to: CERCLA, as defined above; the Hazardous Materials Transportation Act (49 USC Sections 6901 *et seq.*); the Hazardous Waste Control Law (California Health & Safety Code Sections 25100 *et seq.*); the Hazardous Substance Account Act (California Health & Safety Code Sections 25300 *et seq.*); and any rule, regulation, or other promulgation adopted under any of the foregoing laws. This Section 11 supersedes and replaces in its entirety Section 10 of the Option Agreement. This Section 11 shall, as to each respective property, survive until the date which is ten (10) years following: (a) the Closing, only as to the Mitigation Bank Site, (b) the Company's delivery of the Cessation Notice (as defined in the Revegetation Site IOD), only as to the Revegetation Site, and (c) the Company's delivery the Completion Notice (as defined in the Public Access IOD), only as to the Public Access Improvements Site (the "**Survival Period**"); provided, however, that the Survival Period shall not apply to Claims arising out of or in any way related to the plugging and abandonment by the Company and/or the Company Parties of the wells located in or on the Mitigation Site Bank, the Revegetation Site, or the Public Access Improvements Site (the "**Well Claims**"), and the foregoing indemnification with respect to any such Well Claims shall survive the Closing in perpetuity.

11. **COOPERATION.** Each Party shall cooperate with the other Party in carrying out the obligations described in this Agreement, including providing access to their respective properties to the other Party for the purposes of conducting site inspections, studies and tests on the property to determine the suitability of the sites for their proposed uses; and signing applications submitted to the governmental agencies for the permits and approvals described above.

## 12. REPRESENTATIONS.

(a) **LCWA Site As-Is Transfer.** EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NO WARRANTY OR REPRESENTATION IS MADE BY LCWA WITH RESPECT TO THE LCWA SITE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY AS TO (A) FITNESS FOR ANY PARTICULAR PURPOSE, (B) MERCHANTABILITY, (C) CONDITION, (D) ABSENCE OF DEFECTS OR FAULTS, (E) ABSENCE OF HAZARDOUS OR TOXIC SUBSTANCES, (F) FLOODING, OR (G) COMPLIANCE WITH LAWS AND REGULATIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO HEALTH, SAFETY, AND THE ENVIRONMENT, AS THEY MAY APPLY TO THE CURRENT CONDITION OF THE LCWA SITE OR THE COMPANY'S INTENDED DEVELOPMENT, CONSTRUCTION OR USE, OR FOR ANY OTHER PURPOSE, OR OTHERWISE. THE COMPANY ACKNOWLEDGES THAT THE COMPANY HAS ENTERED INTO THIS AGREEMENT WITH THE INTENTION OF MAKING AND RELYING UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC USE, COMPLIANCE, AND LEGAL CONDITION OF THE LCWA SITE AND THAT THE COMPANY IS NOT NOW RELYING AND WILL NOT LATER RELY, UPON ANY REPRESENTATIONS AND WARRANTIES MADE BY LCWA OR ANYONE ACTING OR CLAIMING TO ACT, BY, THROUGH, OR UNDER OR ON LCWA'S BEHALF CONCERNING THE LCWA SITE. THE PROVISIONS OF THIS SECTION SHALL SURVIVE INDEFINITELY ANY CLOSING OR TERMINATION OF THIS AGREEMENT AND SHALL NOT BE MERGED INTO ANY DOCUMENTS, EXECUTED OR DELIVERED AT CLOSING. THE COMPANY REPRESENTS, WARRANTS, ACKNOWLEDGES, AND AGREES THAT IT HAS HAD FULL AND AMPLE OPPORTUNITY PRIOR TO THE COMPANY'S EXERCISE OF THE OPTION TO INVESTIGATE THE LCWA SITE INCLUDING, BUT NOT LIMITED TO, THE PHYSICAL AND ENVIRONMENTAL CONDITION THEREOF; THE PRESENCE, ABSENCE OR CONDITION OF IMPROVEMENTS THEREON; AND THAT THE COMPANY SHALL ACCEPT THE LCWA SITE AS-IS WITH ALL FAULTS.

(b) **LCWA Site Release.** FROM AND AFTER THE CLOSING, EXCEPT FOR THE OBLIGATIONS OF LCWA ARISING UNDER THIS AGREEMENT TO THE EXTENT SURVIVING THE CLOSING, THE COMPANY ON BEHALF OF ITSELF, ITS AFFILIATES, AND ITS SUCCESSORS AND ASSIGNS, WAIVES ITS RIGHT TO RECOVER FROM, AND FOREVER RELEASES AND DISCHARGES THE LCWA INDEMNITEES FROM ANY AND ALL DEMANDS, CLAIMS, LEGAL OR ADMINISTRATIVE PROCEEDINGS, LOSSES, LIABILITIES, DAMAGES, PENALTIES, FINES, LIENS, JUDGMENTS, COSTS, OR EXPENSES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, COURT COSTS AND ATTORNEYS' FEES AND DISBURSEMENTS), WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT MAY ARISE ON ACCOUNT OF OR IN ANY WAY BE CONNECTED WITH THE LCWA SITE, THIS AGREEMENT, AND THE TRANSACTIONS CONTEMPLATED HEREBY, INCLUDING, WITHOUT LIMITATION (A) THE PHYSICAL CONDITION OF THE LCWA SITE, INCLUDING, WITHOUT LIMITATION, ALL STRUCTURAL AND SEISMIC ELEMENTS, ALL PLUMBING, SEWAGE, AND OTHER

SYSTEMS, AND (B) ANY LAW OR REGULATION APPLICABLE TO THE LCWA SITE, INCLUDING ANY ENVIRONMENTAL LAW. THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH OF ITS EXPRESSED TERMS AND PROVISIONS, INCLUDING THOSE RELATING TO UNKNOWN AND UNSUSPECTED CLAIMS, DAMAGES AND CAUSES OF ACTION. THIS SECTION SHALL SURVIVE THE CLOSING INDEFINITELY.

WITH RESPECT TO THE FOREGOING RELEASE, THE COMPANY WAIVES AND RELINQUISHES EVERY RIGHT AND BENEFIT IT HAS OR MAY HAVE UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

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THE COMPANY’S INITIALS

(c) The Company hereby represents and warrants that the Company has delivered to LCWA a true and correct copy of all material reports (provided that the Company shall have the right to redact any confidential or proprietary information from such reports) prepared in connection with the Mitigation Bank Site, the Revegetation Site, and the Public Access Improvements Site.

**13. ATTORNEYS’ FEES.** In the event of any legal action between the Parties to interpret this Agreement or to enforce the rights or remedies of any Party pursuant to this Agreement, the prevailing Party shall be entitled to recover its costs and expenses (including, without limitation, reasonable attorneys’ fees) of such action.

**14. AUTHORIZATION TO SIGN.** Each person executing this Agreement on behalf of a Party represents and warrants that he/she is duly authorized to execute it and that the Party is bound by the terms and conditions hereof.

**15. NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be sent by a nationally recognized overnight courier or sent by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed received upon the earlier of (a) if mailed, five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (b) (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt, or (c) if by email, upon confirmed written receipt by the recipient, with an automatic “read receipt” not constituting acknowledgment of an email for purposes of this section, or confirmed by a notice delivered by another method in accordance with this section.

All notices to the Company shall be sent to:

Los Cerritos Wetlands, LLC  
6433 E. Second Street  
Long Beach, CA 90803  
Contact: John McKeown  
Email: jmckeown@synergyoandg.com

All notices to LCWA shall be sent to:

Los Cerritos Wetlands Authority  
100 Old San Gabriel Canyon Road  
Azusa, CA 91702  
Contact: Mark Stanley, Executive Officer  
Email: mstanley@rmc.ca.gov

**16. EXHIBITS.** The following Exhibits are attached hereto and incorporated herein by this reference:

Exhibit "A"	Option Agreement
Exhibit "B"	Depiction and description of the LCWA Site
Exhibit "C"	Depiction and description of Mitigation Bank Site
Exhibit "D"	Depiction and description of Revegetation Site
Exhibit "E"	Depiction and description of Public Access Improvements Site
Exhibit "F"	Mitigation Bank Site Grant Deed
Exhibit "G"	LCWA Site Grant Deed
Exhibit "H"	Revegetation Site OTD
Exhibit "I"	Public Access Improvements Site OTD
Exhibit "J"	Oil & Gas Deed Restriction

**17. MISCELLANEOUS.**

(a) **Required Actions of the Company and LCWA.** the Company and LCWA shall execute such instruments and documents and to diligently undertake such actions (at no cost to the undertaking Party except as otherwise expressly provided herein) as may be reasonably required in order to consummate the transactions herein contemplated and shall use good faith efforts to accomplish the Closing in accordance with the provisions hereof.

(b) **Time of Essence.** Time is of the essence of each and every term, condition, obligation and provision hereof. All references herein to a particular time of day shall be deemed to refer to Pacific Standard Time.

(c) **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument and may be delivered by PDF file or other electronic means.

(d) **Captions.** Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the Parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

(e) **No Obligations to Third Parties.** Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties, to any person or entity other than the Parties.

(f) **Amendment to this Agreement.** The terms of this Agreement may not be modified or amended except by an instrument in writing executed by all of the Parties.

(g) **Waiver.** The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

(h) **Entire Agreement.** This Agreement and the Exhibits attached hereto and the Option Agreement supersede any prior agreements, negotiations and communications, oral or written, and constitute the entire agreement between the Parties as to the subject matter hereof. Should there be a conflict between this Agreement and any other exhibit to this Agreement, this Agreement shall control. Should there be a conflict between this Agreement and the Option Agreement, this Agreement shall control.

(i) **Survival.** The covenants and obligations in Sections 4, 8, 9, 10, 11, and 12 herein, shall survive the Closing for the Survival Period, except that indemnification for Well Claims, as set forth in Section 10, shall survive the Closing in perpetuity.

(j) **Governing Law and Venue.** This Agreement and the rights of the Parties hereunder shall be governed by and construed in accordance with the laws of the State of California including all matters of construction, validity, performance, and enforcement and without giving effect to the principles of conflict of laws. Any action brought by either Party shall be brought in the state or federal courts of Los Angeles County.

(k) **Assignment by LCWA.** In the event that that certain Los Cerritos Wetlands Authority Joint Exercise of Powers Agreement, dated as of March 17, 2006 (as amended, the "JPA") is terminated pursuant to Section 13 of the JPA, LCWA shall have the right, power and authority to assign this Agreement and its rights hereunder, or to delegate any duties or obligations arising under this Agreement, without Company's consent, to a successor agency, as designated by LCWA.

[Signature page follows]

**IN WITNESS WHEREOF**, the Parties have each executed this Agreement on the dates identified below.

**LOS CERRITOS WETLANDS AUTHORITY**

By: \_\_\_\_\_

Mark Stanley

Title: LCWA Executive Officer

Date: \_\_\_\_\_

**LOS CERRITOS WETLANDS, LLC**

By: \_\_\_\_\_

John McKeown

Title: Chief Executive Officer

Date: \_\_\_\_\_

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**Exhibit “A”**

OPTION AGREEMENT

(See attached)

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**Exhibit "B"**

DEPICTION AND DESCRIPTION OF THE LCWA SITE

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LONG BEACH IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

A PORTION OF PARCEL 3 OF CITY OF LONG BEACH LOT LINE ADJUSTMENT NO. 9704-09, RECORDED DECEMBER 12, 1997 AS INSTRUMENT NO. 97-1958951 OF OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, BEING A PORTION OF THE EAST ONE-HALF OF SECTION 2, TOWNSHIP 5 SOUTH, RANGE 12 WEST, IN THE RANCHO LOS ALAMITOS, AS SHOWN ON PARTITION MAP RECORDED IN BOOK 700, PAGE 141 OF DEEDS, IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID PARCEL 3, BEING THE SOUTHWEST CORNER OF SAID EAST ONE-HALF OF SECTION 2, AND BEING THE CENTERLINE INTERSECTION OF WESTMINSTER AVENUE (100 FEET WIDE) AND STUDEBAKER ROAD (100 FEET WIDE);

THENCE NORTH 00°10'03" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 3, BEING THE WESTERLY LINE OF SAID EAST ONE-HALF OF SECTION 2 AND ALSO BEING SAID CENTERLINE OF STUDEBAKER ROAD, A DISTANCE OF 400.00 FEET; THENCE SOUTH 89°50'17" EAST, A DISTANCE OF 493.10 FEET; THENCE SOUTH 64°14'06" EAST, A DISTANCE OF 75.53 FEET; THENCE SOUTH 00°52'38" WEST, A DISTANCE OF 367.39 FEET, TO THE SOUTHERLY LINE OF SAID PARCEL 3, BEING THE SOUTHERLY LINE OF SAID EAST ONE-HALF OF SECTION 2, AND ALSO BEING SAID CENTERLINE OF WESTMINSTER AVENUE; THENCE NORTH 89°50'17" WEST, ALONG SAID SOUTHERLY LINE AND SAID CENTERLINE, A DISTANCE OF 556.57 FEET, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, GAS, PETROLEUM AND OTHER MINERAL OR HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, TOGETHER WITH THE RIGHT TO USE THAT PORTION ONLY OF SAID LAND WHICH UNDERLIES A PLANE PARALLEL TO AND 500 FEET BELOW THE PRESENT SURFACE OF SAID LAND, FOR THE PURPOSE OF PROSPECTING FOR, DEVELOPING AND/OR EXTRACTING SAID OIL, GAS, PETROLEUM AND OTHER MINERAL OR HYDROCARBON SUBSTANCES FROM SAID LAND BY MEANS OF WELLS DRILLED INTO SAID SUBSURFACE OF SAID LAND FROM DRILL SITES LOCATED ON OTHER LAND, IT BEING EXPRESSLY UNDERSTOOD AND AGREED THAT SAID SELLERS, THEIR HEIRS, SUCCESSORS AND ASSIGNS, SHALL HAVE NO RIGHT TO ENTER UPON THE SURFACE OF SAID LAND, OR TO USE SAID LAND OR ANY PORTION THEREOF, TO SAID DEPTH OF 500 FEET, FOR ANY PURPOSE WHATSOEVER, AS SET FORTH IN THE DEED FROM ERNEST A. BRYANT, JR., AND ALLEN L. CHICKERING, AS TRUSTEES UNDER THE LAST WILL AND TESTAMENT OF SUSANNA BIXBY BRYANT, ALSO KNOWN AS SUSANNA P.

BRYANT, DECEASED, RECORDED JULY 27, 1953 AS INSTRUMENT NO. 889, IN BOOK 42302, PAGE 73 OF OFFICIAL RECORDS.

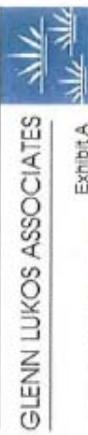
ALSO EXCEPTING THEREFROM ALL OIL, GAS, PETROLEUM AND OTHER MINERAL OR HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE THEREOF, AS EXCEPTED AND RESERVED IN THAT CERTAIN DEED TO EDISON SECURITIES COMPANY, A CORPORATION, DATED SEPTEMBER 2, 1953 AND RECORDED SEPTEMBER 15, 1953 AS INSTRUMENT NO. 2298, IN BOOK 42694, PAGE 232 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

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**LCWA OPTION AGREEMENT**

LCWA Site



X 0000 THE REST NO COVENANT, CARRYING AGREEMENT, EXHIBIT A, THIS

Exhibit A



**Legend**  
LCWA Site Boundary

Westminster Boulevard

Google

**EXHIBIT "B"**

**Exhibit “C”**

DEPICTION AND DESCRIPTION OF MITIGATION BANK SITE

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**Exhibit “D”**

DEPICTION AND DESCRIPTION OF REVEGETATION SITE

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**Exhibit “E”**

DEPICTION AND DESCRIPTION OF PUBLIC ACCESS IMPROVEMENTS SITE

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**Exhibit “F”**

MITIGATION BANK SITE GRANT DEED

(See attached)

DRAFT

**EXHIBIT F TO THE LAND EXCHANGE AGREEMENT**

**Recording requested by  
and mail original to:**  
Los Cerritos Wetlands Authority  
100 Old San Gabriel Canyon Road  
Azusa, CA 91702  
Attn: Mark Stanley Executive Officer

This Space for Recorder's Use Only

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX  
PURSUANT TO SECTION 11922 OF THE REVENUE AND TAXATION CODE.

Assessor's Identification Number(s): \_\_\_\_\_

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT  
TO SECTION 27383 OF THE GOVERNMENT CODE.

**GRANT DEED  
(Mitigation Bank Site)**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**LOS CERRITOS WETLANDS, LLC**, a California limited liability company (“Grantor”),

hereby grants to

**LOS CERRITOS WETLANDS AUTHORITY**, a joint powers authority formed by the California Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Long Beach and the City of Seal Beach (“Grantee”),

that certain real property described on attached **Exhibit “1”** and depicted on attached **Exhibit “2”** (“Property”).

This grant and conveyance is made subject to the following:

1. All covenants, conditions and restrictions, encumbrances, easements, limitations, reservations, rights, charges, equitable servitudes and other matters of record that were recorded prior to the recordation of this Grant Deed in the Office of the Los Angeles County Recorder. Grantee acknowledges and agrees that the U.S. Army Corps of Engineers, Los Angeles District (“Army Corps”) may require a conservation easement (“Conservation Easement”) to be recorded against the Property pursuant to that certain Bank Enabling Instrument (Upper Los Cerritos Wetlands Mitigation Bank) dated as of July 24, 2023 by and between Grantor and the Army Corps (“BEI”). If the Conservation Easement is not recorded prior to the date of this Grant

Deed, then Grantee agrees to record the Conservation Easement against the Property promptly following Grantor's request therefor.

2. This Grant Deed does not convey any right, title and interest in and to the mineral, oil and gas rights that are 500 feet and below the ground surface of the Property.

3. Grantor, for itself and its successors and assigns, reserves rights and easements within the Property for ingress to, and egress from, the Property for vehicles, equipment and persons (including without limitation employees, contractors, subcontractors, consultants, agents, and assigns), and to use and occupy the Property, for the purpose of performing any and all wetlands restoration and other activities provided for in, and to implement: (i) that certain Upper Los Cerritos Wetlands Mitigation Bank Development Plan for the Property, as set forth in Exhibit C-1 of the BEI, and approved by the Interagency Review Team, as it may have been amended, or may be amended, from time to time; (ii) that certain Upper Los Cerritos Wetlands Mitigation Bank Site Interim Management Plan for the Property, as set forth in Exhibit D-4 of the BEI, and approved by the Interagency Review Team, as it may have been amended, or may be amended, from time to time; (iii) that certain Coastal Development Permit No. 9-18-0395 for the Property, approved by the California Coastal Commission on December 13, 2018, and issued by the California Coastal Commission on December 10, 2021, as it may have been amended, or may be amended, from time to time; (iv) the mitigation and monitoring plan for the Property contained in the Los Cerritos Wetlands Oil Consolidation and Restoration Project Final Environmental Impact Report (State Clearinghouse No. 2016041083) for the Property certified by the City Council of the City of Long Beach on January 16, 2018; and (v) any other wetlands restoration, activities associated with mitigation bank creation and construction activities on the Property, which activities may include, without limitation:

- (a) grading;
- (b) construction, maintenance, use, operation, replacement, repair, relocation, and/or removal of public access improvements and other improvements;
- (c) planting and irrigation;
- (d) fencing;
- (e) habitat creation, enhancement and restoration;
- (f) soil testing and remediation and other remediation activities;
- (g) repairs;
- (h) site mitigation;
- (i) installation, maintenance, use, operation, replacement, repair and/or removal of a sheet pile wall and berm, including activities that may be needed for wetlands restoration and creation and mitigation bank construction on the Property or adjacent property;
- (j) monitoring and testing, including without limitation before, during and after construction of improvements; and
- (k) performing any and all other activities authorized by applicable governmental permits, approvals, and mitigation banking documents.

Grantor's reservation of rights and easements described in this section shall terminate on the fifteenth (15th) anniversary of the date the Grant Deed is recorded; provided, however, that Grantor may quitclaim its reserved rights and easements at any time prior to such termination date.

4. Grantor, for itself and its successors and assigns, reserves the right to sell to third parties, and to retain any and all proceeds from the sale of, the Upper Los Cerritos Welands Mitigation Bank wetlands mitigation credits that relate to the Property.

5. In connection with the exercise of the reserved rights and easements described in section 3 above, and as related to the exercise of any rights related to the mineral, oil and gas rights that are 500 feet and below the ground surface of the Property described in section 2 above, Grantor (which for purposes of this section 5, includes Grantor's sole member, or the party that then owns those rights and easements) shall to the fullest extent permitted by law:

(a) indemnify, defend, protect and hold harmless LCWA, its constituent members, directors, officers, agents, attorneys, and employees (collectively, "**LCWA Indemnitees**"), from and against any and all liabilities, complaints, claims, actions, causes of action, proceedings, judgments, orders, liens, damages, costs, expenses (including, but not limited to, all actual litigation costs incurred by LCWA Indemnitees, and any fees and costs for expert witnesses, consultants and attorneys), fines, fees, penalties and losses, including attorneys' fees (collectively, "**Claims**"), incurred by LCWA arising out of or in any way related to exercise of its easement rights; the exercise of any rights related to the mineral, oil and gas rights that are 500 feet and below the ground surface of the Property; any of Grantor's acts or omissions; or any combinations thereof. The foregoing obligations include, but are not limited to Claims arising from third parties related to claims that wastes generated from any Grantor activities or omissions were not properly disposed of by Grantor; Claims that real or personal property have been damaged; Claims of bodily injury; Claims related to any alleged violations of any applicable laws by Grantor; Claims brought by any regulatory agency to recover its costs (including but not limited to response or oversight costs); Claims related to any Hazardous and Petroleum Substances and Materials (defined below) that are located on or within the Mitigation Site Bank, Revegetation Site, Public Access Improvements Site, or any combination thereof; and Claims that relate to or in any way arise from Grantor's obligations or responsibilities in its role as the Mitigation Bank Sponsor pursuant to any approved Bank Enabling Instrument; which Claims relate to, or are in connection with, or directly or indirectly arising out of Grantor's or Grantor's affiliates' acts or omissions. For purposes of this Agreement, "**Hazardous and Petroleum Substances and Materials**" includes, without limitation, any of the following wastes, materials, chemicals, or other substances (whether in the form of liquids, solids, or gases, and whether or not airborne) which are ignitable, reactive, corrosive, toxic, or radioactive, or which are deemed to be pollutants, contaminants, or hazardous or toxic substances under or pursuant to, or which are to any extent regulated by or under or form the basis of liability under any statute, regulation, rule, ordinance, order, or requirement concerning such wastes, materials, chemicals, or other substances (in each case, an "**Environmental Law**"), including, but not limited to, petroleum-based products, formaldehyde, urea, natural gas, natural gas liquids, liquified natural gas, or synthetic gas useable for fuel or mixture thereof, radon, asbestos and any byproduct of the same and any material containing or producing any polychlorinated biphenyl, dioxin, or asbestos, as well as any biocide, herbicide, insecticide, or other agrichemical, at any level that may (i) constitute a present or potential threat to human health,

safety, welfare, or the environment, (ii) exceed any applicable or relevant and appropriate cleanup standard, or (iii) cause any person to incur any investigation, removal, remediation, maintenance, abatement, or other cleanup expense; it being understood that such Environmental Laws include, but are not limited to: CERCLA, as defined above; the Hazardous Materials Transportation Act (49 USC Sections 6901 *et seq.*); the Hazardous Waste Control Law (California Health & Safety Code Sections 25100 *et seq.*); the Hazardous Substance Account Act (California Health & Safety Code Sections 25300 *et seq.*); and any rule, regulation, or other promulgation adopted under any of the foregoing laws; and,

(b) promptly repair any damage to the Property to substantially the condition in which it existed prior to the exercise of such rights and in any event, to the standard necessary for public open space and public use; and

(c) prior to any entry upon the Property, obtain and maintain, and deliver to Grantee or its successors and assigns a certificate or other reasonable proof evidencing that Grantor has, a commercial general liability insurance policy written on an occurrence basis with combined single limits liability for personal injury and property damage of not less than Two Million Dollars (\$2,000,000), under which Grantee or its successors and assigns is named as an additional insured and which requires at least thirty (30) days written notice to Grantee or its successors and assigns before any termination or reduction of that insurance.

The indemnity obligations in this section 5 shall run to and bind any affiliate of Grantor which then owns the LCWA Site (as defined in that certain Land Exchange Agreement entered into between Grantor and Grantee on \_\_\_\_\_ (the "LEA") and to any affiliate of Grantor which is then an assignee or successor to Grantor's rights under the BEI. Furthermore, the indemnity obligations in this section 5 shall terminate thirty (30) years from the date upon which this Grant Deed is recorded in the public records. The indemnity obligations in this section shall not apply to any diminution in value of the Property or other loss suffered by Grantee or its successors and assigns as a result of any adverse conditions within the Property that are discovered by or for Grantor or its successors and assigns and that are not directly or indirectly caused by Grantor or its successors and assigns or by their employees, contractors, subcontractors, consultants or agents.

The indemnity obligations in this section 5 are in addition to the separate indemnification obligations in Section 10 of the LEA.

6. Grantor, for itself and its successors and assigns, reserves the right to assign or otherwise transfer any or all of the rights and easements reserved in this Grant Deed and the obligations that are stated in this Grant Deed to any third party or parties, including without limitation Synergy Oil and Gas, LLC, a California limited liability company. In connection with each assignment or transfer described above, Grantee or its successors and assigns shall be provided: (a) written notice of the assignment or transfer at least sixty (60) days before its effectiveness to the address of Grantee or its successors and assigns that is on file with the California Secretary of State (or, if none, to its last known address); and (b) written evidence that is reasonably satisfactory to Grantee or its successors and assigns that the assignee/transferee assumes the rights and easements reserved in this Grant Deed and all of the obligations that are stated in this Grant Deed, including documentation that Grantor's successors and assigns has and is capable of fulfilling the insurance

and indemnification provisions of section 5 above. No assignment or transfer shall release the assignor or transferor of its obligations that are stated in this Grant Deed.

7. Transfer of the property to Grantee, a public entity, is exempt from the provisions of the Subdivision Map Act, pursuant to Government Code Section 66428 (a)(2).

*[Remainder of page left intentionally blank. Signatures follow.]*

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**GRANTOR:**

**LOS CERRITOS WETLANDS, LLC,**  
a California limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

DRAFT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

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## Notary Public

(SEAL)

**EXHIBIT “1”**

**DESCRIPTION OF THE PROPERTY**

That certain real property located in the County of Los Angeles, State of California, described as follows:

DRAFT

**EXHIBIT “2”**

**DEPICTION OF THE PROPERTY**

(see attached page)

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**Exhibit “G”**

LCWA SITE GRANT DEED

(See attached)

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**EXHIBIT G TO THE LAND EXCHANGE AGREEMENT**

**Recording requested by  
and mail original to:**  
Los Cerritos Wetlands, LLC  
6433 E. Second Street  
Long Beach, CA 90803  
Attn: John McKeown

This Space for Recorder's Use Only

THIS DOCUMENT IS EXEMPT FROM DOCUMENTARY TRANSFER TAX  
PURSUANT TO SECTION 11922 OF THE REVENUE AND TAXATION CODE.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT  
TO SECTION 27383 OF THE GOVERNMENT CODE.

Assessor's Identification Number(s):  
\_\_\_\_\_

**GRANT DEED  
(LCWA Site)**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**LOS CERRITOS WETLANDS AUTHORITY**, a joint powers authority formed by the California Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Long Beach and the City of Seal Beach ("Grantor"),

hereby grants to

**LOS CERRITOS WETLANDS, LLC**, a California limited liability company ("Grantee"),

that certain real property described on attached Exhibit 1 and depicted on attached Exhibit 2 ("Property").

This grant and conveyance is made subject to the following:

1. All general and special real property taxes and assessments that are not delinquent, including supplemental taxes assessed as a result of this conveyance.
2. All other covenants, conditions and restrictions, encumbrances, easements, limitations, reservations, rights, charges, equitable servitudes and other matters of record that were recorded prior to the recordation of this Grant Deed in the Office of the Los Angeles County Recorder.

**GRANTOR:**

**LOS CERRITOS WETLANDS AUTHORITY**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

DRAFT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, a Notary Public,  
personally appeared \_\_\_\_\_, who proved to me on the basis of  
satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and  
acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)  
acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

---

## Notary Public

(SEAL)

**EXHIBIT 1 TO GRANT DEED**

**Legal Description**

[see attached]

DRAFT

**EXHIBIT 1**

**-1-**

**EXHIBIT 2 TO GRANT DEED**

**Depiction**

[see attached]

326310844.1

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**EXHIBIT 2**

**-1-**

**Exhibit “H”**

REVEGETATION SITE OTD

(See attached)

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## **EXHIBIT H TO THE LAND EXCHANGE AGREEMENT**

Recording Requested By and  
When Recorded Return to:

Los Cerritos Wetlands Authority  
100 Old San Gabriel Canyon Rd.  
Azusa, CA 91702  
Attn: Mark Stanley, Exec. Officer

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EXEMPT FROM RECORDING FEES – GOV. CODE SECTION 27383

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### **IRREVOCABLE OFFER TO DEDICATE FEE TITLE** **(Revegetation Site)**

This IRREVOCABLE OFFER TO DEDICATE FEE TITLE (“Offer”) is made as of \_\_\_\_\_, 20\_\_\_\_, by Los Cerritos Wetlands, LLC, a California limited liability company (“Offeror”), to Los Cerritos Wetlands Authority, a joint powers authority formed by the California Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Long Beach and the City of Seal Beach (“LCWA”).

#### **RECITALS**

A. Offeror is the owner of the approximately 69.92 acre property that is legally described on attached **Exhibit “A”** and that is depicted on attached **Exhibit “B”** (“Property”).

B. Offeror and LCWA have entered into that certain Land Exchange Agreement dated as of \_\_\_\_\_, 20\_\_\_\_ (“Land Exchange Agreement”) and that certain Second Amended and Restated Option Agreement dated as of \_\_\_\_\_, 20\_\_\_\_ (“Option Agreement”), pursuant to which Offeror and LCWA have agreed, among other things, that Offeror will record an Irrevocable Offer of Dedication of fee title to the Property in favor of LCWA in the form of this Offer.

C. Offeror and/or its affiliates currently conduct oil production and related operations (collectively “Oil Operations”) within the Property, and pursuant to the Land Exchange Agreement and Option Agreement, Offeror will over time be implementing a revegetation plan as set forth in Exhibit E of the Option Agreement (“Revegetation Plan”) within the Property as the Oil Operations within the Property are removed.

D. Offeror intends to seek approval from the Interagency Review Team (“IRT”) headed by the U.S. Army Corps of Engineers, Los Angeles District (the “Army Corps”) to establish a new wetlands mitigation bank on the Property, or amend the Upper Los Cerritos Wetlands Mitigation

Bank Development Plan (“**Bank Plan**”), as set forth in that certain Bank Enabling Instrument (Upper Los Cerritos Wetlands Mitigation Bank) dated as of July 24, 2023 by and between Offeror and the Army Corps (the “**BEI**”) to include the Property in the Upper Los Cerritos Wetlands Mitigation Bank (the “**Upper Los Cerritos Wetlands Mitigation Bank**”), which, if approved, would allow Offeror to sell wetlands mitigation credits to third parties in need of mitigation and to retain all revenue associated with the sale of said wetlands mitigation credits. Implementation of the Bank Plan would include wetlands creation, restoration, enhancement, monitoring and maintenance activities on the Property.

E. In order for Offeror to implement the Revegetation Plan and Bank Plan, the Land Exchange Agreement and Option Agreement provide that the Oil Operations within the Property will be phased out.

F. Transfer of the property to LCWA, a public entity, is exempt from the provisions of the Subdivision Map Act, pursuant to Government Code Section 66428 (a)(2).

NOW, THEREFORE, for good, valuable and sufficient consideration received, Offeror hereby irrevocably offers to dedicate fee title to the Property to LCWA, as follows:

1. **PURPOSE.** The purpose of this Offer is to dedicate fee title to the Property to LCWA so that, if LCWA accepts this Offer in accordance with the terms of this Offer, LCWA will own the Property and the Property can be held for the benefit of the public for open space and habitat restoration and preservation in furtherance of LCWA’s purpose and mission.

2. **WHO CAN ACCEPT OFFER, AND HOW AND WHEN OFFER CAN BE ACCEPTED.**

(a) Because Offeror’s intent is that the conveyance of the Property will further the goals and mission of the LCWA to provide for a comprehensive program of acquisition, protection, conservation, restoration, maintenance and operation and environmental enhancement of the Los Cerritos Wetlands area consistent with the goals of flood protection, habitat protection and restoration, and improved water supply, water quality, groundwater recharge, and water conservation, this Offer can be accepted only by LCWA; except that in the event that that certain Los Cerritos Wetlands Authority Joint Exercise of Powers Agreement, dated as of March 17, 2006 (as amended, the “**JPA**”) is terminated pursuant to Section 13 of the JPA, LCWA shall have the right, power and authority to assign this Offer and its rights hereunder, or to delegate any duties or obligations arising under this Offer, without Offeror’s consent, to a successor agency, as designated by LCWA; and only after receipt by LCWA of a Notice of Cessation of Operations issued by Offeror (“**Cessation Notice**”).

(b) The Cessation Notice shall be delivered by Offeror upon cessation and completion of Offeror’s oil production activities (including the abandonment of Oil Operations and all clean up and remediation activities to restore the Property to the standards required by the BEI and to the standard necessary for public open space and use) and in any event on or before the date that is ten (10) years following the date this Offer is recorded in the Official Records of Los Angeles County, California (the “**Official Records**”) (the earlier of which date shall be referred to herein

as the “**Termination Date**”). The Cessation Notice shall be delivered together with documentation from the California Geologic Energy Management Division (“**CalGEMS**”) that it has released the bonds posted by the oil operator to assure clean up and abandonment of the oil wells and facilities. Prior to delivery of the Cessation Notice, Offeror has the right, but not the obligation, to seek approval of a new wetlands mitigation bank, or the incorporation of the Property into the existing Upper Los Cerritos Wetlands Mitigation Bank, and, if approved, the right to record a conservation easement over the Property, if required by the U.S. Army Corps of Engineers.

(c) LCWA can accept this Offer only by causing to be recorded in the Official Records, a Certificate of Acceptance in substantially the form of attached **Exhibit “C” (“Certificate of Acceptance”)** within 180 days after receipt of the Cessation Notice, or if the Cessation Notice is never delivered by Offeror prior to the Termination Date, within 180 days after the Termination Date. LCWA shall record the Certificate of Acceptance, and within twenty (20) days after LCWA’s receipt of the recorded Certificate of Acceptance from the County Recorder, LCWA shall provide a copy of the recorded Certificate of Acceptance to Offeror.

3. **RESERVED.**

4. **LCWA’S RIGHT OF ENTRY.** At any time before LCWA becomes the owner of the Property by the recordation of the Certificate of Acceptance, LCWA may enter the Property for the sole purpose of inspecting, observing, and studying it to identify its suitability for LCWA’s purposes and for purposes of accessing the “Mitigation Bank Site” as described in the Land Exchange Agreement; however, LCWA shall not, without Offeror’s prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, conduct any biological or environmental (e.g., soil) surveys, or other invasive work or tests. LCWA shall provide written notice to Offeror at least two (2) business days before each entry onto the Property, and such inspections shall be accomplished in a manner that does not unreasonably interfere with Offeror’s use of the Property.

5. **LCWA’S OBLIGATIONS WHILE ENTERING OR USING THE PROPERTY.** Offeror shall not be liable to LCWA on account of any claim, liability, damage, or expense suffered or incurred as a result of LCWA’s entry on the Property pursuant to this Offer, or as a result of LCWA’s use of the Property after the Certificate of Acceptance is recorded in the Official Records, except to the extent the claim, liability, damage or expense arises as a result of the negligence or intentional misconduct of Offeror, or its constituent members, directors, officers, agents, attorneys, and/or employees. LCWA shall indemnify, defend, protect and hold harmless Offeror from any loss, damage, claim, cost, lien, action, liability, or judgment (including, without limitation, Offeror’s reasonable attorney’s fees and costs): (1) incurred for, from, or by any person or entity acting on behalf of, or at the request of, LCWA when entering onto or using the Property; and (2) for personal injury, property damage, or other loss or damage of any kind arising from, resulting from, or in any way related to such entry or use; unless arising as a result of the negligence or intentional misconduct of Offeror, or its constituent members, directors, officers, agents, attorneys, and/or employees. At all times before the recordation of the Certificate of Acceptance, LCWA warrants that LCWA shall obtain and maintain a commercial general liability policy of insurance, including bodily injury and property damage, written on an “occurrence” basis, with

limits of not less than \$2,000,000 insuring Offeror against injuries to persons and damage to property arising from or in connection with any action permitted under this Offer, naming Offeror as an additional insured under that coverage. LCWA shall deliver to Offeror a copy of certificates evidencing such coverage in force, together with copies of the policies of insurance, before entering onto the Property. LCWA shall comply with all applicable governmental laws, ordinances, and regulations in connection with LCWA's entry on or use of the Property. Before undertaking any activity on the Property that requires a governmental permit, LCWA will obtain the permit and pay any fee or expense required to obtain or carry out the permit. This Section survives the acceptance or termination of this Offer.

**6. OFFEROR'S RIGHT TO USE THE PROPERTY.** Until the Termination Date, Offeror shall be entitled to the full and free use of the Property and to obtain and retain any revenue that may be produced from the Property, including without limitation to: (a) continue Offeror's Oil Operations within the Property; (b) conduct clean up and remediation of the Property; (c) conduct revegetation and/or habitat restoration activities within the Property, which right shall continue following the Termination Date for a period of five (5) years; and (d) implement the Bank Plan, if approved by the U.S. Army Corps of Engineers prior to the date of the Cessation Notice, including, but not limited to conducting a minimum of five (5) years monitoring and maintenance of the restored wetlands during and after the Termination Date, and other obligations under the applicable BEI. On or prior to the Termination Date, Offeror shall cease all use of the Property for oil production activities, and any other revenue-generating activities, except for any wetlands mitigation bank implementation obligations, and shall complete all clean up, abandonment, and remediation of the Oil Operations, including facilities and equipment on the Property as may be required by CalGEM, or other regulatory agency having jurisdiction over Offeror's activities within the Property. Offeror shall retain the right to implement the Revegetation Plan set forth in Exhibit E of the Option Agreement and/or any applicable Mitigation Bank Plan and conduct revegetation and habitat and wetlands creation, restoration, enhancement and preservation activities, and, to the extent it has any right thereto, Offeror shall retain all rights to subsurface minerals 500 feet and below ground surface. Upon LCWA's recordation of the Certificate of Acceptance in the Official Records, this Offer constitutes a grant of easement by LCWA to Offeror for Offeror to complete implementation of any applicable Mitigation Bank Plan, as may be required to implement the Bank Plan; and, promptly upon Offeror's written request, LCWA shall execute, deliver, acknowledge and authorize Offeror to record in the Official Records a grant of easement in a form that is consistent with the provisions of this Section and in a form as approved by LCWA's legal counsel, which approval shall not be unreasonably withheld, but the absence of such recordation shall not affect Offeror's rights in this Section. Offeror's use of the Property shall at all times comply with all laws, codes, ordinances, rules, regulations, or requirements pertaining to the Property. LCWA shall bear no responsibilities related to any mitigation bank as may be established on the Property, unless expressly agreed to by separate agreement between the Parties. This Section survives the acceptance or termination of this Offer.

**7. OFFEROR'S OBLIGATIONS WHILE USING THE PROPERTY.** LCWA shall not be liable to Offeror, or any other party, on account of any and all actual liabilities, complaints, claims, actions, causes of action, proceedings, judgments, orders, liens, damages, costs, expenses (including, but not limited to, all actual litigation costs incurred by LCWA and its constituent members, directors, officers, agents, attorneys, and employees (collectively, the

“LCWA Indemnitees”), and any fees and costs for expert witnesses, consultants and attorneys), fines, fees, penalties and losses, including reasonable attorneys’ fees (collectively, “Claims”) suffered or incurred as a result of Offeror’s use of the Property pursuant to this Offer, except to the extent the Claim arises as a result of LCWA’s gross negligence or intentional misconduct. Following the acceptance of this Offer, Offeror shall indemnify, defend, protect and hold harmless LCWA Indemnitees from and against any and all Claims: (1) incurred for, from, or by any person or entity acting on behalf of, at the request of, in connection with Offeror’s use of the Property; and (2) for personal injury, property damage, or other loss or damage of any kind arising from, resulting from, or in any way related to such use. At all times while Offeror is using the Property following LCWA’s acceptance of this Offer, Offeror warrants that Offeror shall obtain a commercial general liability policy of insurance, including bodily injury and property damage, written on an “occurrence” basis, with limits of not less than \$2,000,000 insuring Offeror against injuries to persons and damage to property arising from, or in connection with or in any way related to, Offeror’s use of the Property, naming LCWA as an additional insured under that coverage. Offeror shall deliver to LCWA a copy of certificates evidencing such coverage in force, together with copies of the policies of insurance, as to Offeror’s use of the Property after the recordation of the Certificate of Acceptance. Offeror shall comply with all applicable governmental laws, ordinances, and regulations in connection with its use of the Property. Before undertaking any activity on the Property that requires a governmental permit, Offeror will obtain the permit and pay any fee or expense required to obtain or carry out the permit. At all times while Offeror is using the Property (including any use by Offeror after the recordation of the Certificate of Acceptance), Offeror shall bear all costs and liabilities of any kind related to Offeror’s use of the Property, including without limitation any and all property taxes and assessments levied on the Property that are allocable to Offeror’s use of the Property. In addition, the indemnity provision and obligations set forth in Section 10 of the Land Exchange Agreement is incorporated by reference herein. This Section survives the acceptance or termination of this Offer.

8. **PERMITTED TITLE EXCEPTIONS.** LCWA shall accept title to the Property subject to: (1) liens for current property taxes and any general or special assessments or bonds, and the lien for supplemental taxes, if any, that are not delinquent as of the date the Certificate of Acceptance is recorded, subject to the provisions of this Offer; (2) all recorded easements and other encumbrances shown as exceptions on that certain Preliminary Report issued by Fidelity National Title Company and dated [\_\_\_\_\_]; (3) any conservation easements that may be required pursuant to the BEI; and (4) Offeror’s right to use the Property as described in this Offer.

9. **DISCLOSURE OF MATERIAL FACTS.** Offeror hereby represents and warrants that Offeror has disclosed to LCWA all material facts known to Offeror about the Property.

10. **ENFORCEMENT.** In the event of a violation of any term, condition, covenant, or restriction contained in this Offer, each party is to obtain specific performance from the other party. The enforcing party may take all other reasonable actions that it deems necessary to ensure compliance with the terms, conditions, covenants, and purposes of this Offer, after notification by the enforcing party to the other party of the enforcing party’s proposed action and the reasons therefor, and after granting the other party a reasonable period of time in which to take such action.

Any failure of a party to act shall not be deemed a waiver or forfeiture of that party's right to enforce any term, condition, covenant, or purpose of this Offer in the future. If material loss or damage occurs to the Property before LCWA accepts this Offer, LCWA may terminate this Offer by giving written notice of such termination to Offeror within thirty (30) days after discovering such loss or damage. Offeror shall have no other right or remedy in the event of such loss or damage. This Section survives the acceptance or termination of this Offer.

11. **CONSTRUCTION.** If any provision of this Offer is held to be invalid or for any reason becomes unenforceable, then no other provision shall be affected or impaired by the holding. The headings in this Offer are for convenience only and do not affect this Offer's meaning. In this Offer, the words "include" and "including" shall be deemed to be followed by the words "without limitation."

12. **SUCCESSORS AND ASSIGNS.** The terms, covenants, conditions, exceptions, obligations, and reservations contained in this Offer shall be binding on and inure to the benefit of the successors and assigns of both Offeror and LCWA. Offeror may sell or otherwise transfer any interest Offeror has in the Property at any time before the Termination Date, except that any such sale or transfer shall be subject to all of the terms, conditions and restrictions of this Offer. LCWA shall not have any right to sell, assign or otherwise transfer LCWA's rights and/or obligations under this Offer to any party without first obtaining Offeror's written consent, which consent may be given or withheld in Offeror's sole and absolute discretion, except that LCWA may assign all of its rights and obligations in this Offer without such consent to any successor agency to LCWA, or to any federal, state, or local governmental entity or a non-profit organization under section 501(c)(2) or (3) of the Internal Revenue Code, so long as that assignment is in writing and the assignee accepts and assumes in writing all of LCWA's rights and obligations in this Offer, and the written assignment, acceptance and assumption is provided to Offeror before its effective date.

13. **IRREVOCABLE OFFER, EFFECT OF ACCEPTANCE.** This Offer shall be irrevocable, except as otherwise provided in this Offer, and upon timely recordation of the Certificate of Acceptance this Offer, as described in Section 2 above, shall have the effect of a grant of the Property interest to LCWA, subject to the rights of Offeror in this Offer that survive acceptance of this Offer.

14. **TIME OF THE ESSENCE.** Time is of the essence as to every provision in this Offer.

15. **ATTORNEY'S FEES.** In any action involving Offeror and LCWA relating to this Offer, the prevailing party in that action shall recover from the other party, in addition to any damages, injunctive or other relief, all costs (whether or not allowable as "cost" items by law) reasonably incurred at, before and after trial or on appeal, or in any bankruptcy proceeding, including without limitation reasonable attorney's and witness fees, deposition costs, copying charges and other costs. This Section survives the acceptance or termination of this Offer.

16. **NOTICES.** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other pursuant to this Offer shall be in writing and either served personally or sent by first class mail, postage prepaid, addressed as follows:

To Offeror:

Los Cerritos Wetlands, LLC  
6433 E. Second Street  
Long Beach, CA 90803  
Attn: Manager

To LCWA:

Los Cerritos Wetlands Authority  
100 Old San Gabriel Canyon Road  
Azusa, CA 91702  
Attn: Executive Director

17. **BENEFIT AND BURDEN.** This Offer shall run with and burden the Property. All obligations, terms, conditions, and restrictions imposed by this Offer shall be deemed covenants and restrictions running with the land and shall be effective limitations on the use of the Property from the date of recordation of this Offer, and shall bind Offeror and LCWA and their successors and assigns. This Offer shall benefit LCWA.

18. **RECORDATION.** This Offer shall be recorded in the Official Records, and shall remain of record until 180 days after the Termination Date, or the recordation of the Certificate of Acceptance by LCWA, or until Offeror and LCWA cause a termination of this Offer to be recorded in the Official Records, whichever occurs first.

Offeror executes this Offer as of the date first written above.

**OFFEROR:**

Los Cerritos Wetlands, LLC,  
a California limited liability company

By: \_\_\_\_\_

Name: John McKeown

Title: Chief Executive Officer

## NOTARIZATION OF OFFEROR'S SIGNATURE:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )

) ss.

COUNTY OF )

On \_\_\_\_\_, 20\_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

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**Signature**

(Seal)

The undersigned, Los Cerritos Wetlands Authority, hereby agrees to the terms of the foregoing Offer and to be bound by the agreements and obligations of Los Cerritos Wetlands Authority that are set forth in the foregoing Offer, including without limitation the grant of easement by Los Cerritos Wetlands Authority to Los Cerritos Wetlands, LLC, set forth therein.

## Los Cerritos Wetlands Authority

By: \_\_\_\_\_

Name: Mark Stanley

Title: Executive Director

Date: \_\_\_\_\_

## NOTARIZATION OF LCWA'S SIGNATURE:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF )

On \_\_\_\_\_, 20\_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

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**Signature**

(Seal)

**EXHIBIT "A"**

**DESCRIPTION OF THE PROPERTY**

DRAFT

**EXHIBIT “B”**

**DEPICTION OF THE PROPERTY**

DRAFT

**EXHIBIT “C”**

**CERTIFICATE OF ACCEPTANCE**

(see attached pages)

DRAFT

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

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#### CERTIFICATE OF ACCEPTANCE

This is to certify that \_\_\_\_\_ hereby accepts the Irrevocable Offer to Dedicate Fee Title (“Offer”), executed on \_\_\_\_\_ by Los Cerritos Wetlands, LLC, recorded on \_\_\_\_\_, as Document No. \_\_\_\_\_ in the Official Records of Los Angeles County, California, as to the real property described in attached **Exhibit “1”** and depicted on attached **Exhibit “2”**.

The undersigned hereby accepts and agrees to perform all of the obligations of LCWA set forth in the Offer that are to be performed after the date of this acceptance pursuant to the Offer.

Dated:

By: \_\_\_\_\_

For: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
                          ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 20 \_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature

(Seal)

**EXHIBIT “1”**

**DESCRIPTION OF THE PROPERTY**

DRAFT

**EXHIBIT “2”**

**DEPICTION OF THE PROPERTY**

DRAFT

## **MORTGAGEE CONSENT AND SUBORDINATION**

*[Bank form to be inserted]*

DRAFT

**Exhibit “I”**

PUBLIC ACCESS IMPROVEMENTS SITE OTD

(See attached)

DRAFT

**EXHIBIT I TO THE LAND EXCHANGE AGREEMENT**

Recording Requested By and  
When Recorded Return to:

Los Cerritos Wetlands Authority  
100 Old San Gabriel Canyon Rd.  
Azusa, CA 91702  
Attn: Mark Stanley, Exec. Officer

**EXEMPT FROM RECORDING FEES – GOV. CODE SECTION 27383**

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**IRREVOCABLE OFFER TO DEDICATE FEE TITLE  
AND RESERVATION OF EASEMENTS**  
(Public Access Improvements Site)

This IRREVOCABLE OFFER TO DEDICATE FEE TITLE AND RESERVATION OF EASEMENTS (“Offer”) is made as of \_\_\_\_\_, 20\_\_\_\_, by Los Cerritos Wetlands, LLC, a California limited liability company (“Offeror”) to Los Cerritos Wetlands Authority, a joint powers authority formed by the California Coastal Conservancy, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the City of Long Beach and the City of Seal Beach (“LCWA”).

RECITALS

- A. Offeror is the owner of the approximately 2.95 acre property that is legally described on attached Exhibit “A” and that is depicted on attached Exhibit “B-1” (“Property”).
- B. Offeror and LCWA have entered into that certain Land Exchange Agreement dated as of \_\_\_\_\_, 202\_\_\_\_ (“Land Exchange Agreement”) and that certain Second Amended and Restated Option Agreement dated as of \_\_\_\_\_, 2024 (“Option Agreement”), pursuant to which Offeror and LCWA have agreed, among other things, that Offeror will record an Irrevocable Offer of Dedication of fee title to the Property in favor of LCWA in the form of this Offer.
- C. Pursuant to the Land Exchange Agreement and Option Agreement, Offeror intends to construct for the benefit of LCWA and the public, among other things, a visitors center, a parking lot, and a planned public access trail on the Property.
- D. Transfer of the property to LCWA, a public entity, is exempt from the provisions of the Subdivision Map Act, pursuant to Government Code Section 66428 (a)(2).

NOW, THEREFORE, for good, valuable and sufficient consideration received, Offeror hereby irrevocably offers to dedicate fee title to the Property to LCWA, as follows:

1. **PURPOSE.** The purpose of this Offer is to dedicate fee title to the Property to LCWA so that, if LCWA accepts this Offer in accordance with the terms of this Offer, LCWA will own the Property and the Property can be held for the benefit of the public for open space, habitat restoration and preservation, and, among other things, a visitors center, parking lot, and public access trail, all in furtherance of LCWA's purpose and mission.

2. **WHO CAN ACCEPT OFFER, AND HOW AND WHEN OFFER SHALL BE ACCEPTED.** This Offer can only be accepted by LCWA, except that in the event that that certain Los Cerritos Wetlands Authority Joint Exercise of Powers Agreement, dated as of March 17, 2006 (as amended, the "JPA") is terminated pursuant to Section 13 of the JPA, LCWA shall have the right, power and authority to assign this Offer and its rights hereunder, or to delegate any duties or obligations arising under this Offer, without Offeror's consent, to a successor agency, as designated by LCWA. LCWA can accept this Offer within One Hundred Eighty (180) days after, but not before, Offeror delivers to LCWA the "**Completion Notice**" (defined below) by causing to be recorded in the Official Records of Los Angeles County, California ("**Official Records**"), a Certificate of Acceptance in substantially the form of attached **Exhibit "C"** ("**Certificate of Acceptance**"). LCWA shall record the Certificate of Acceptance, and within twenty (20) days after receipt by LCWA of the recorded Certificate of Acceptance from the County Recorder, LCWA shall provide a copy of the recorded Certificate of Acceptance to Offeror.

3. **RESERVED.**

4. **COMPLETION NOTICE; WORK.** Offeror shall complete the Work (defined below) by no later than the date that is ten (10) years following the date this Offer is recorded in the Official Records of Los Angeles County, California (the "**Official Records**") (the earlier of completion of the Work or the date that is ten (10) years following the date this Offer is recorded in the Official Records being referred to herein as the "**Termination Date**"). Promptly following completion of the Work (but not before), Offeror shall deliver a notice to LCWA that such Work has been complete (the "**Completion Notice**"). In this Offer, "**Work**" means: (a) construction of a new visitor center within the Property, a new entry way to the Property from Second Street, a new road from Second Street to the visitor center within the Property, a new parking area, and the three (3) "Operational Access Points" within the Property, all as shown on the site plan attached **Exhibit "B-2"**; (b) construction of a fence or other barrier within the Property ("**Fence**") to prevent access from the Property to adjacent properties and to keep visitors to the Property within the Property's demarcated public areas; (c) remediation and clean-up of the Property to the standards required for public open space and public use; and (d) relocation of the building known to Offeror and LCWA as the "Bixby Office Building". Promptly after this Offer is recorded, Offeror shall cause construction of the Work to commence. Offeror shall thereafter diligently pursue the Work in good faith and use commercially reasonable efforts to cause the Work to be completed as soon as reasonably possible. As of the date of this Offer, Offeror and LCWA anticipate that the Work will be completed not later than December 31, 2027. Offeror shall cause the Work to be performed in compliance with applicable governmental requirements, including applicable prevailing wage laws and the Americans With Disabilities Act.

5. **LCWA'S RIGHT OF ENTRY BEFORE ACCEPTANCE.** Before the Certificate of Acceptance is recorded, LCWA may enter the Property to inspect, observe, and study it, and for purposes of accessing the Mitigation Bank Site as described in the Land Exchange Agreement dated \_\_\_\_\_ between the Parties; however, LCWA shall not, without first obtaining Offeror's written consent, which consent shall not be unreasonably withheld, conditioned or delayed, conduct any invasive work or tests. LCWA shall provide written notice to Offeror at least two (2) business days before each such entry onto the Property, and each such entry shall occur in a manner that does not unreasonably interfere with Offeror's use of the Property or the performance of the Work.

6. **LCWA'S OBLIGATIONS WHILE ENTERING OR USING THE PROPERTY.** Offeror shall not be liable to LCWA on account of any claim, liability, damage, or cost suffered or incurred as a result of any entry on the Property by or on behalf of LCWA pursuant to this Offer, or as a result of any use of the Property after the Certificate of Acceptance is recorded in the Official Records, except to the extent the claim, liability, damage or cost arises as a result of the negligence or intentional misconduct of Offeror or its constituent members, directors, officers, agents, attorneys, and/or employees. LCWA shall indemnify, defend, protect and hold harmless Offeror from any loss, damage, claim, cost, lien, action, liability, or judgment (including Offeror's reasonable attorney's fees and costs): (1) incurred for, from, or by any party acting on behalf of LCWA, at the request of LCWA, when entering onto or using of the Property; and (2) for personal injury, property damage, or other loss or damage of any kind arising from, resulting from, or in any way related to such entry or use; unless arising as a result of the negligence or intentional misconduct of Offeror, or its constituent members, directors, officers, agents, attorneys, and/or employees. At all times before the Certificate of Acceptance is recorded, LCWA shall obtain and maintain at LCWA's cost a commercial general liability policy of insurance, including bodily injury and property damage, written on an "occurrence" basis, with limits of not less than \$2,000,000 insuring Offeror against injuries to persons and damage to property arising from or in connection with any action by or on behalf of LCWA permitted under this Offer, naming Offeror as an additional insured under that coverage. LCWA shall deliver to Offeror a copy of certificates evidencing such coverage and copies of the policies of insurance, before any entry on the Property. LCWA shall comply with all applicable governmental laws, ordinances, and regulations in connection with any entry on or use of the Property by or on behalf of LCWA. Before undertaking any activity on the Property that requires a governmental permit, LCWA will obtain that permit and pay any fee or cost required to obtain or carry out that permit. After the Certificate of Acceptance is recorded, LCWA shall at LCWA's cost maintain, repair and replace the Fence as necessary in order to prevent access from the Property to the adjacent properties and to keep visitors to the Property within the Property's demarcated public areas. This Section survives the recordation of the Certificate of Acceptance.

7. **OFFEROR'S RESERVATION OF RIGHTS AND EASEMENTS TO USE THE PROPERTY.** Offeror reserves to itself and its successors and assigns the rights and easements to: (a) use the roads within the Property for ingress to and egress from adjacent properties, including in connection with Offeror's oil production operations, revegetation, remediation and clean-up activities and other uses of its property, including the Revegetation Site and/or the Mitigation Bank Site each described on attached **Exhibit "D"**; and (b) maintain, repair,

and replace as necessary the Fence at LCWA's cost to the extent LCWA fails to do so and that failure continues thirty (30) days after Offeror notifies LCWA of that failure. Any such costs incurred by Offeror with respect to the maintenance, repair or replacement of the Fence shall be reimbursed by LCWA within thirty (30) days after Offeror's written request, which shall include reasonable proof of those costs and Offeror's payment of those costs, and if payment is not received by Offeror within that time period then interest at the annual rate of ten percent (10%) shall accrue on those costs from the date of Offeror's reimbursement request until the date those costs are paid to Offeror. Offeror's reservation of rights and easements described in this section shall terminate on the date which is five (5) years following the Termination Date. Thereafter, should Offeror require access to, over and through the Property to access adjacent property, Offeror shall provide a written request to LCWA at least two (2) business days before each such entry onto the Property, and each such entry shall occur in a manner that does not unreasonably interfere with LCWA's use of the Property or the performance of the Work. LCWA, shall not be unreasonably withhold consent. In the event that Offeror requires access as a result of an emergency, Offeror shall immediately inform LCWA of the nature of the emergency and the need for access, but is not required to submit a written request as provided above. This Section survives the recordation of the Certificate of Acceptance.

**8. OFFEROR'S OBLIGATIONS WHILE ENTERING AND USING THE PROPERTY.** LCWA shall not be liable to Offeror on account of any and all actual liabilities, complaints, claims, actions, causes of action, proceedings, judgments, orders, liens, damages, costs, expenses (including, but not limited to, all actual litigation costs incurred by LCWA and its constituent members, directors, officers, agents, attorneys, and employees (collectively, the "LCWA Indemnitees"), and any fees and costs for expert witnesses, consultants and attorneys), fines, fees, penalties and losses, including reasonable attorneys' fees (collectively, "Claims") suffered or incurred as a result of Offeror's use of the Property pursuant to this Offer, except to the extent the Claim arises as a result of LCWA's gross negligence or intentional misconduct. Following the acceptance of this Offer, Offeror shall indemnify, defend, protect and hold harmless LCWA Indemnitees from and against any and all Claims: (1) incurred for, from, or by any party acting on behalf of, at the request of, in connection with Offeror's use of the Property; and (2) for personal injury, property damage, or other loss or damage of any kind arising from, resulting from, or in any way related to such use. At all times while Offeror is using the Property following LCWA's acceptance of this Offer, Offeror warrants that Offeror shall obtain a commercial general liability policy of insurance, including bodily injury and property damage, written on an "occurrence" basis, with limits of not less than \$2,000,000 insuring Offeror against injuries to persons and damage to property arising from or in any way related to Offeror's use of the Property, naming LCWA as an additional insured under that coverage. Offeror shall deliver to LCWA a copy of certificates evidencing such coverage in force, together with copies of the policies of insurance, as to Offeror's use of the Property after the Certificate of Acceptance is recorded. Offeror shall comply with all applicable governmental laws, ordinances, and regulations in connection with its use of the Property. Before undertaking any activity on the Property that requires a governmental permit, Offeror will obtain the permit and pay any fee or cost required to obtain or carry out the permit. At all times while Offeror is using the Property (including any use by Offeror after the Certificate of Acceptance is recorded), Offeror shall bear all costs and liabilities of any kind related to Offeror's use of the Property, including any and all property taxes and assessments levied on the Property that are allocable to Offeror's use of the Property. In

addition, the indemnity provision set forth in Section 10 of the Land Exchange Agreement is incorporated by reference herein. This Section survives the recordation of the Certificate of Acceptance or termination of this Offer.

9. **PERMITTED TITLE EXCEPTIONS.** LCWA shall accept title to the Property subject to: (1) liens for current property taxes and any general or special assessments or bonds, and the lien for supplemental taxes, if any, that are not delinquent as of the date the Certificate of Acceptance is recorded, subject to the provisions of this Offer; (2) all recorded easements and other encumbrances shown as exceptions on that certain Preliminary Report issued by Fidelity National Title Company and dated [ ]; (3) any conservation easements that may be required pursuant to the BEI; and (4) Offeror's easements and rights to use the Property as reserved and described in this Offer.

10. **DISCLOSURE OF MATERIAL FACTS.** Offeror hereby represents and warrants that Offeror has disclosed to LCWA all material facts known to Offeror about the Property.

11. **ENFORCEMENT.** In the event of a violation of any term, condition, covenant, or restriction contained in this Offer, each party is to obtain specific performance from the other party. The enforcing party may take all other reasonable actions that it deems necessary to ensure compliance with the terms, conditions, covenants, and purposes of this Offer, after notification by the enforcing party to the other party of the enforcing party's proposed action and the reasons therefor, and after granting the other party a reasonable period of time in which to take such action. Any failure of a party to act shall not be deemed a waiver or forfeiture of that party's right to enforce any term, condition, covenant, or purpose of this Offer in the future. If material loss or damage occurs to the Property before LCWA accepts this Offer, LCWA may terminate this Offer by giving written notice of such termination to Offeror within thirty (30) days after discovering such loss or damage. This Section survives the recordation of the Certificate of Acceptance.

12. **CONSTRUCTION.** If any provision of this Offer is held to be invalid or for any reason becomes unenforceable, then no other provision shall be affected or impaired by the holding. The headings in this Offer are for convenience only and do not affect this Offer's meaning. In this Offer, the words "include" and "including" shall be deemed to be followed by the words "without limitation."

13. **SUCCESSORS AND ASSIGNS.** The terms, covenants, conditions, exceptions, obligations, and reservations contained in this Offer shall be binding on and inure to the benefit of the successors and assigns of both Offeror and LCWA. LCWA shall not have any right to sell, assign or otherwise transfer LCWA's rights and/or obligations under this Offer to any party without first obtaining Offeror's written consent, which consent may be given or withheld in Offeror's sole and absolute discretion, except that LCWA may assign all of its rights and obligations in this Offer without such consent to any successor agency to LCWA, or to any federal, state, or local governmental entity or a non-profit organization under Section 501(c)(2) or (3) of the Internal Revenue Code, so long as that assignment is in writing and the assignee accepts and assumes in writing all of LCWA's rights and obligations in this Offer, and the written assignment,

acceptance and assumption is provided to Offeror before its effective date. This Section survives the recordation of the Certificate of Acceptance.

14. **IRREVOCABLE OFFER, EFFECT OF ACCEPTANCE.** This Offer shall be irrevocable, except as may otherwise be provided in this Offer, and upon recordation of the Certificate of Acceptance in accordance with this Offer, this Offer shall have the effect of a grant of the Property interest to LCWA, subject to the rights and easements of Offeror in this Offer.

15. **TIME OF THE ESSENCE.** Time is of the essence as to every provision in this Offer.

16. **ATTORNEY'S FEES.** In any action involving Offeror and LCWA relating to this Offer, the prevailing party in that action shall recover from the other party, in addition to any damages, injunctive or other relief, all costs (whether or not allowable as "cost" items by law) reasonably incurred at, before and after trial or on appeal, or in any bankruptcy proceeding, including without limitation reasonable attorney's and witness fees, deposition costs, copying charges and other costs. This Section survives the recordation of the Certificate of Acceptance.

17. **NOTICES.** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other pursuant to this Offer shall be in writing and either served personally or sent by first class mail, postage prepaid, addressed as follows:

To Offeror:	Los Cerritos Wetlands, LLC 6433 E. Second Street Long Beach, CA 90803 Attn: Manager
To LCWA:	Los Cerritos Wetlands Authority 100 Old San Gabriel Canyon Road Azusa, CA 91702 Attn: Executive Director

18. **BENEFIT AND BURDEN.** This Offer shall run with and burden the Property. All obligations, terms, conditions, and restrictions imposed by this Offer shall be deemed covenants and restrictions running with the land and shall be effective limitations on the use of the Property from the date this Offer is recorded, and shall bind and benefit Offeror and LCWA and their successors and assigns, and shall benefit the properties described on attached **Exhibit "A".**

19. **RECORDATION.** This Offer shall be recorded in the Official Records, and shall remain of record until 180 days after the Termination Date, or the recordation of the Certificate of Acceptance by LCWA, or until Offeror and LCWA cause a termination of this Offer to be recorded in the Official Records, whichever occurs first.

Offeror executes this Offer as of the date first written above.

**OFFEROR:**

Los Cerritos Wetlands, LLC,  
a California limited liability company

By: \_\_\_\_\_

Name: John McKeown

Title: Chief Executive Officer

## NOTARIZATION OF OFFEROR'S SIGNATURE:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )

) ss.

COUNTY OF )

On \_\_\_\_\_, 20\_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

---

**Signature**

(Seal)

The undersigned, Los Cerritos Wetlands Authority, hereby agrees to the terms of the foregoing Offer and to be bound by the agreements and obligations of Los Cerritos Wetlands Authority that are set forth in the foregoing Offer, including without limitation the grant of easements and rights by Los Cerritos Wetlands Authority to Los Cerritos Wetlands, LLC, set forth therein.

## Los Cerritos Wetlands Authority

By: \_\_\_\_\_

Name: Mark Stanley

Title: Executive Director

Date: \_\_\_\_\_

## NOTARIZATION OF LCWA'S SIGNATURE:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_\_\_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

---

**Signature**

(Seal)

**EXHIBIT "A"**

**DESCRIPTION OF THE PROPERTY**

DRAFT

**EXHIBIT “B-1”**

**DEPICTION OF THE PROPERTY**

DRAFT

**EXHIBIT “B-2”**

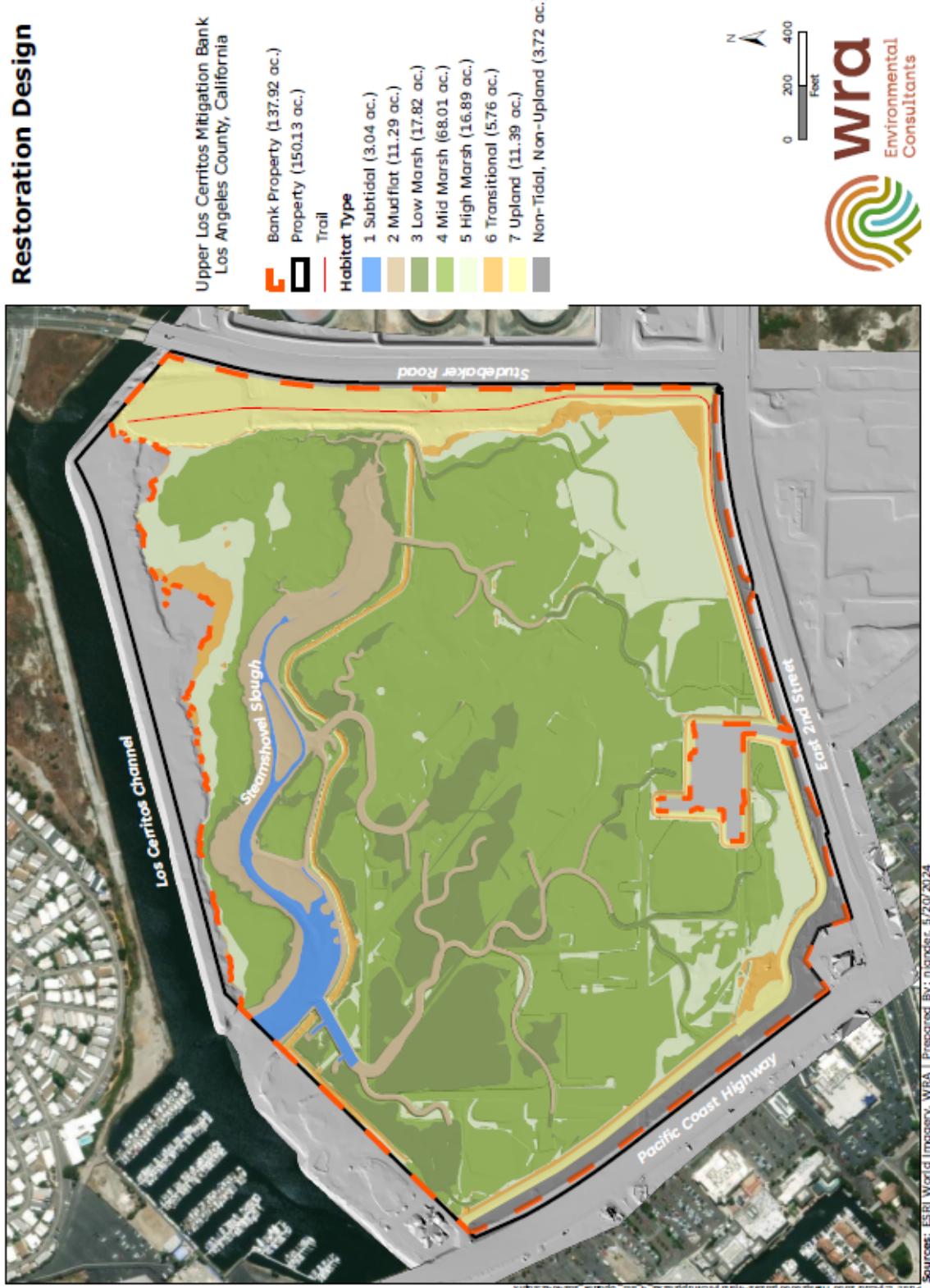
**SITE PLAN**

(see attached page)

[NTD: Site Plan to be simplified for recordability]

DRAFT

## Restoration Design



**EXHIBIT “C”**

**CERTIFICATE OF ACCEPTANCE**

(see attached pages)

DRAFT

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

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CERTIFICATE OF ACCEPTANCE

This is to certify that \_\_\_\_\_ hereby accepts the Irrevocable Offer to Dedicate Fee Title and Reservation of Easements ("Offer"), executed on \_\_\_\_\_ by Los Cerritos Wetlands, LLC, recorded on \_\_\_\_\_, as Document No. \_\_\_\_\_ in the Official Records of Los Angeles County, California, as to the real property described in attached **Exhibit "1"** and depicted on attached **Exhibit "2"**.

The undersigned hereby accepts and agrees to perform all of the obligations of LCWA set forth in the Offer that are to be performed after the date of this acceptance pursuant to the Offer.

Dated:

By: \_\_\_\_\_

For: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
                          ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 20 \_\_, before me, \_\_\_\_\_, Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature

(Seal)

**EXHIBIT “1”**

**DESCRIPTION OF THE PROPERTY**

DRAFT

**EXHIBIT “2”**

**DEPICTION OF THE PROPERTY**

DRAFT

**EXHIBIT “D”**

**DESCRIPTION OF THE REVEGETATION SITE & MITIGATION BANK SITE**

DRAFT

## **MORTGAGEE CONSENT AND SUBORDINATION**

*[Bank form to be inserted]*

DRAFT

**Exhibit “J”**

**OIL & GAS DEED RESTRICTION**

(See attached)

DRAFT

Recording Requested By and  
When Recorded Return to:

State Coastal Conservancy 1515  
Clay Street, 10<sup>th</sup> Floor Oakland,  
CA 94612

Attn: Legal Counsel: RB

**EXEMPT FROM RECORDING FEES -- GOV. CODE SECTION 6103, GOV. CODE  
SECTION 27383**

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**DECLARATION OF DEED RESTRICTIONS**  
Los Cerritos Wetlands, Los Angeles County, California

This DECLARATION OF DEED RESTRICTIONS (“declaration”) is made this \_\_\_ day of May, 2024 by the Los Cerritos Wetlands, LLC, a limited liability company (“Landowner”).

**Pertinent Facts**

A. Landowner is the legal owner of the fee interest in the real property located in the County of Los Angeles, State of California, that is described in Exhibit A (“Real Property”), APN: 7237-019-809, and which was conveyed to Landowner pursuant to the grant deed recorded concurrently with this declaration.

B. Landowner obtained the Real Property in a land exchange with the Los Cerritos Wetlands Authority (“LCWA”). Prior to LCWA’s ownership of the Real Property, Southern California Edison Company owned the Real Property. On May 30, 2001, Southern California Edison made an irrevocable offer to dedicate fee title to the Real Property to the State Coastal Conservancy (the “Conservancy”), pursuant to the settlement in the matter of *Earth Island Institute, Donald May and David Jeffries v. Southern California Edison Company* (US District Court, Southern District of California Case No. 90CV1535-B). The offer was made to “implement the Conservancy’s resource enhancement program at the Los Cerritos Wetlands.” Upon the Conservancy making a finding that the Real Property would be suitable for wetland restoration, the offer required the Conservancy to either accept the offer or designate a party to accept the offer. On January 18, 2007, the Conservancy found that the Real Property would be suitable for wetland restoration and approved the designation of LCWA to accept the offer on the condition that the Conservancy approve any subsequent transfer of the Real Property by the LCWA.

C. On February 15, 2024, the Conservancy approved the transfer of the Real Property by

LCWA to Landowner in exchange for the transfer of an approximately 150-acre parcel by Landowner to LCWA, the Synergy Oil Field APNs: 7237-017-010, 7237-017-011, 7237-017-012, 7237-017-013, 7237-017-014, 7237-017-018, and 7237-017-019, for purposes of natural resource and wetland protection and restoration, open space, and public access that is compatible with those purposes.

D. The Conservancy conditioned its approval of the transfer of the Real Property upon Landowner recording a deed restriction that permanently prohibits the extraction or production of oil or gas on or from the Real Property. The condition is the third condition in the Resolutions and Findings section of the Conservancy Board Authorization dated February 15, 2024.

E. Landowner is executing this declaration to comply with the Conservancy's condition of approval of LCWA's transfer of the Real Property to Landowner.

F. Landowner intends through this declaration to bind itself and its assigns and successors in interest.

## **DEED RESTRICTIONS**

In light of the pertinent facts above, Landowner agrees to the following:

1. **PROHIBITED USES OF THE REAL PROPERTY.** All of the following activities are prohibited on, at, or below the surface of the Real Property:

a. Extraction of oil or gas using the surface of the Real Property, regardless of location of the oil or gas.

b. Production of oil or gas, meaning processing, refining, storage, and/or distribution, regardless of the source of the oil or gas.

c. Extraction of oil or gas from the subsurface of the Real Property from any location.

2. **MONITORING AND INSPECTION OF THE PROPERTY.** On reasonable prior written notice from LCWA (no less than forty-eight [48] hours), Landowner shall allow LCWA to visually inspect the Real Property to ascertain compliance with this declaration. LCWA shall not be permitted to perform any physical testing on the Real Property. LCWA shall provide Landowner with a certificate of insurance, which certificate shall contain sufficient general liability protections for LCWA. Landowner shall respond promptly (no more than twenty-four [24] hours) to LCWA's written request for information regarding use of the Real Property,

3. **REMEDIES.** Notwithstanding any other provision of this declaration, LCWA may use any remedy available in law or equity to enforce this declaration.

4. **BENEFIT AND BURDEN.** This declaration runs with and burdens the Real Property. All obligations, terms, conditions, and restrictions imposed by this declaration shall be deemed

covenants and restrictions running with the Real Property, shall be effective limitations on the use of the Real Property from the date of recordation of this declaration, and shall bind Landowner and all its successors and assigns. This declaration benefits the LCWA and the State of California.

5. **SUCCESSORS AND ASSIGNS.** The provisions of this declaration bind and inure to the benefit of the successors and assigns of Landowner, LCWA, and the Conservancy.

6. **CONSTRUCTION OF VALIDITY.** If a court in a final determination holds any provision of this declaration invalid, or if, for any other reason a provision becomes unenforceable, no other provision shall be affected.

7. **TERM.** This declaration is irrevocable.

8. **AMENDMENT.** No change in this declaration will be valid unless made in writing, signed by Landowner, LCWA and the Conservancy, and recorded in the official records of Los Angeles County, California.

*[Remainder of page left intentionally blank. Signatures follow.]*

This declaration is executed as follows:

Los Cerritos Wetlands, LLC

By: \_\_\_\_\_,  
(Name)

Its: \_\_\_\_\_  
(Title)

DRAFT

## EXHIBIT A

### **The Real Property** *(Legal Description)*

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LONG BEACH IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

A PORTION OF PARCEL 3 OF CITY OF LONG BEACH LOT LINE ADJUSTMENT NO. 9704-09, RECORDED DECEMBER 12, 1997 AS INSTRUMENT NO. 97-1958951 OF OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIFORNIA, BEING A PORTION OF THE EAST ONE-HALF OF SECTION 2, TOWNSHIP 5 SOUTH, RANGE 12 WEST, IN THE RANCHO LOS ALAMITOS, AS SHOWN ON PARTITION MAP RECORDED IN BOOK 700, PAGE 141 OF DEEDS, IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID PARCEL 3, BEING THE SOUTHWEST CORNER OF SAID EAST ONE-HALF OF SECTION 2, AND BEING THE CENTERLINE INTERSECTION OF WESTMINSTER AVENUE (100 FEET WIDE) AND STUDEBAKER ROAD (100 FEET WIDE);

THENCE NORTH 00°10'03" EAST, ALONG THE WESTERLY LINE OF SAID PARCEL 3, BEING THE WESTERLY LINE OF SAID EAST ONE-HALF OF SECTION 2 AND ALSO BEING SAID CENTERLINE OF STUDEBAKER ROAD, A DISTANCE OF 400.00 FEET;

THENCE SOUTH 89°50'17" EAST, A DISTANCE OF 493.10 FEET;

THENCE SOUTH 64°14'06" EAST, A DISTANCE OF 75.53 FEET;

THENCE SOUTH 00°52'38" WEST, A DISTANCE OF 367.39 FEET, TO THE SOUTHERLY LINE OF SAID PARCEL 3, BEING THE SOUTHERLY LINE OF SAID EAST ONE-HALF OF SECTION 2, AND ALSO BEING SAID CENTERLINE OF WESTMINSTER AVENUE;

THENCE NORTH 89°50'17" WEST, ALONG SAID SOUTHERLY LINE AND SAID CENTERLINE, A DISTANCE OF 556.57 FEET, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, GAS, PETROLEUM AND OTHER MINERAL OR HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, TOGETHER WITH THE RIGHT TO USE THAT PORTION ONLY OF SAID LAND WHICH UNDERLIES A PLANE PARALLEL TO AND 500 FEET BELOW THE PRESENT SURFACE OF SAID LAND, FOR THE PURPOSE OF PROSPECTING FOR, DEVELOPING AND/OR EXTRACTING SAID OIL, GAS, PETROLEUM AND OTHER MINERAL OR HYDROCARBON SUBSTANCES FROM SAID LAND BY MEANS OF WELLS DRILLED INTO SAID SUBSURFACE OF SAID LAND FROM DRILL SITES LOCATED ON OTHER LAND, IT BEING EXPRESSLY UNDERSTOOD AND AGREED THAT SAID SELLERS, THEIR HEIRS, SUCCESSORS AND ASSIGNS, SHALL HAVE NO RIGHT TO ENTER UPON THE SURFACE OF SAID LAND, OR TO USE SAID LAND OR ANY PORTION THEREOF, TO SAID DEPTH OF 500 FEET, FOR ANY PURPOSE

EXHIBIT "A"

-1-

WHATSOEVER, AS SET FORTH IN THE DEED FROM ERNEST A. BRYANT, JR., AND ALLEN L. CHICKERING, AS TRUSTEES UNDER THE LAST WILL AND TESTAMENT OF SUSANNA BIXBY BRYANT, ALSO KNOWN AS SUSANNA P. BRYANT, DECEASED, RECORDED JULY 27, 1953 AS INSTRUMENT NO. 889, IN BOOK 42302, PAGE 73 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, GAS, PETROLEUM AND OTHER MINERAL OR HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE THEREOF, AS EXCEPTED AND RESERVED IN THAT CERTAIN DEED TO EDISON SECURITIES COMPANY, A CORPORATION, DATED SEPTEMBER 2, 1953 AND RECORDED SEPTEMBER 15, 1953 AS INSTRUMENT NO. 2298, IN BOOK 42694, PAGE 232 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

DRAFT