

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION
DIVISION OF SPILL PREVENTION AND RESPONSE
CONTAMINATED SITES PROGRAM
KENAI AREA OFFICE

Frank Murkowski, Governor

43335 K-Beach Road
Suite 11
Red Diamond Center
Soldotna, Alaska 99669
Phone: (907) 262-5210
Fax: (907) 262-2294

January 23, 2003

FILE COPY

Breck C. Tostevin, Assistant Attorney General
State of Alaska Department Of Law
Office of The Attorney General
1031 West 4th Avenue, Suite 200
Anchorage, AK 99501-1994

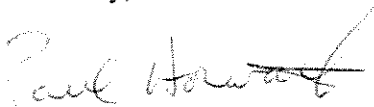
Re: State of Alaska V. WACO, et al., Case No. 3HO-00-112 CI.; AGO No. 221-01-0083
Trailside General Store Site, Homer, Alaska

Dear Breck:

Enclosed you will find the original signed Authorization to Enter Real Property regarding Trailside General Store Site in Homer. Sorry for the delay.

If you have any further questions or concerns, please contact me at (907) 262-5210, Ext. 250.

Sincerely,



Paul Horwath
Environmental Engineer I

PDH:ah

AUTHORIZATION TO ENTER REAL PROPERTY TO CONDUCT
MONITORING AND RELEASE INVESTIGATION

Red Rose Rentals, Inc., owner of the real property identified as 1 and 2, and as Tract 4, of the Kachemak View Addition to the Bowers Subdivision, according to Plat No. 84-67, filed in the Homer Recording District, Third Judicial District, State of Alaska, ("said lands or the site"), hereby grants to the Alaska Department of Environmental Conservation ("ADEC"), its employees and authorized agents and contractors, ("the State") permission to enter upon said lands.

This permission is for the purpose of the State carrying-out investigation and monitoring actions related to known or potential contamination at the site, including monitoring, construction and periodic sampling of groundwater monitoring wells, and periodic sampling of water collection systems, and soil investigations and sampling including borings and/or backhoe pits. With the exception of repairing small patches of pavement, the State will, to the extent practicable, return the property to its original condition upon completion of investigation activities.

This permission shall terminate ten years from the date this form is executed unless extended in writing prior to the expiration date.

Except as provided above and in the Settlement and Release of Claims, dated October 30, 2002, it is understood that this permission is not a waiver in any way of the right of reasonable compensation for damages to such land resulting from the State's activities, nor of any remedy at law to secure the payment therefore, nor shall the undersigned be liable for any injuries sustained by the State of Alaska's agents, contractors, servants, employees, or equipment. The undersigned acknowledges that the State is not making any warranties, express or implied, concerning the work to be performed at the site.

I certify that I am President of Red Rose Rentals, Inc., an Alaska corporation, and that I have authorization and authority to enter into this Agreement on behalf of the Corporation.

By: Alex Flyum, Jr. 12-12-02
Date

President, Red Rose Rentals, Inc.

Mailing address: 345 W. Sterling Hwy. #202
Homer, Alaska 99603

Telephone number: 907-235-8624

Witnessed by:

Shari Louise Daugherty 12/12/02
Name: Shari Louise Daugherty Date

Title: Notary
AK Driver's License # Expires 9-26-2005

