

EASEMENT AGREEMENT

This indenture made this 17 day of MARCH, 2005, between the Seneca Nation of Indians, 12837 Route 438, Irving, NY 14081, hereinafter "Grantor," and the People of the State of New York, acting through the New York State Office of General Services, Daniel D. Hogan, Commissioner, Corning Tower, Empire State Plaza, Albany, NY 12242, hereinafter "Grantee;"

WITNESS that the Grantor, in consideration of the payment of one dollar, the receipt of which is acknowledged, and other good and lawful consideration, hereby gives and grants to the Grantee and its successors and assigns the exclusive right, privilege and easement to certain lands of the Oil Spring Reservation, located in Allegany County, in the State of New York, as defined below, for the purposes set forth more particularly in paragraph 2.

1. The property for which this easement is granted shall consist of the spillway and dam structure ("Spillway") located at the foot of Cuba Lake, which serves to impound and regulate the waters of Cuba Lake and the lands on which it is located on the Oil Spring Reservation, as presently contained within the metes and bounds described in Schedule A annexed hereto.

2. With respect to the Spillway and the property described in Schedule A the Grantor grants to the Grantee an easement for the operation and maintenance of said Spillway and to control the flow of water over such Spillway, and to maintain the condition and integrity of the Spillway. Such easement shall include the right to replace, rebuild, remove, modify, and/or repair the Spillway, so long as any new or resulting structure is confined to the metes and bounds specified in Schedule A. Such easement shall also include, upon notice to and consultation with the Grantor, the temporary right of access by the Grantee and its agents and assigns over the lands of the Grantor to perform all such operation and maintenance, including the temporary right to

divert or impound water as may be necessary to carry out the rights granted herein, including the construction of a coffer dam on the present lake bed, or the diversion of water around the spillway to the present channel downstream therefrom. The operation and maintenance of the dam and spillway shall comply with the Cooperative Management Agreement entered into by the parties dated March 11, 2005, and attached hereto as Schedule B.

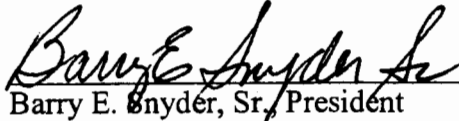
3. This easement shall be effective as long as the easement is utilized for the purposes described in paragraph 2, but it shall cease, and all interests granted herein shall revert to the Grantor, upon the failure of the Grantee to use the easement for any such purposes for a period of five consecutive years.

4. This easement will be strictly construed against the Grantee and is limited to those rights necessary for the purposes of this easement as specified.

5. This easement does not confer and is not intended to confer and should not be construed as conferring upon the general public any right to enter upon the property for any purpose whatsoever, and the rights granted by this easement are limited to the rights described herein.

6. Grantee and its successors and assigns shall have all responsibility and assume all risks in connection with the construction, reconstruction, installation, development, repair, maintenance, and operation of the spillway and dam, and shall be solely responsible and answerable in damages for any and all actions and injuries to persons or property caused solely by said construction, reconstruction, installation, development, repair, maintenance, and operation of the spillway and dam, including any flooding of Seneca Nation lands over and above what may have occurred in the absence of the dam and spillway.

Dated _____



Barry E. Snyder, Sr., President
Seneca Nation of Indians
12837 Route 438
Irving, NY 14081

STATE OF NEW YORK)
 : SS.:
COUNTY OF)

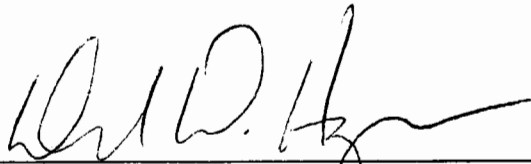
On the 17th day of MARCH, in the year 2005 before me, the undersigned, personally appeared Barry E. Snyder Sr., personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Notary Public, State of New York
Qualified in County of: CATTARAUGUS
My Commission Expires MAY 19, 2007

GERALDINE HUFF
NOTARY PUBLIC, STATE OF NEW YORK
No. 01HU6092543
QUALIFIED IN CATTARAUGUS COUNTY
MY COMMISSION EXPIRES MAY 19, 2007

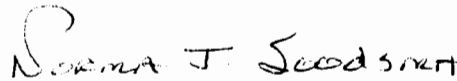
Dated March 14, 2005



Daniel D. Hogan, Commissioner
New York State Office of General Services
Corning Tower, Empire State Plaza
Albany, NY 12242

STATE OF NEW YORK)
 : SS.:
COUNTY OF)

On the 14TH day of MARCH, in the year 2005 before me, the undersigned, personally appeared Daniel D. Hogan, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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 capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Notary Public, State of New York
Qualified in County of: Mont.
My Commission Expires 2-28-07

SOEMA J. SOODASMA
Notary Public, State of New York
County of Montgomery
#4653749
Commission Expires 2-28-07

SCHEDULE A

COMMENCING at concrete monument set on the northerly boundary of the Oil Spring Reservation, easterly of County Road 25, said concrete monument having the following coordinate value: N. 815,822.08, E. 1,223,526.49, thence from said Point of Commencement S. 89° 44' 37" W. along said northerly reservation boundary 588.10 feet to a point thereon, thence S. 0° 15' 23" E., at right angles to said boundary, through said Oil Spring Reservation 736.92 feet to the Point of Beginning; thence from said Point of Beginning the following seven courses and distances:

- 1) S. 81° 47' 48" E. 164.15 feet;
- 2) S. 54° 50' 43" E. 77.32 feet;
- 3) S. 40° 17' 52" W. 131.79 feet;
- 4) S. 08° 36' 15" W. 56.17 feet;
- 5) N. 74° 22' 34" W. 99.85 feet;
- 6) N. 12° 09' 25" E. 51.16 feet; and
- 7) N. 17° 35' 56" W. 154.31 feet to the point or place of beginning containing 0.66 acre of land, more or less.

BEARINGS and coordinates are referenced to the New York State Plane Coordinate System, West Zone, NAD83(96), feet.

Reference is made to a map entitled "State of New York, Office of General Services, Map of a survey of the northerly boundary of the Oil Spring Reservation" dated November 2004, filed in the New York State Office of General Services as O.G.S. Map No. 2015.