

RECORDED MARCH 4, 1994 BK 364 PG 371 NO 162055 RONALD L. DAILEY, COUNTY CLERK

ENCROACHMENT AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, CONOCO PIPE LINE COMPANY (CPL), a Delaware corporation with offices at Ponca City, Oklahoma (Attn: Manager RPA, P.O. Box 1267, Ponca City, OK 74602-1267), is the present owner of a right of way easement (right of way), crossing over the land of SEAN McKNIGHT (3614 U.S. Highway 87, Sheridan, WY 82801), the undersigned (Landowner); and

WHEREAS, said right of way was acquired by that certain grant to CPL dated June 29, 1963, and recorded August 6, 1963 as Entry No. 481398, in Book 142, Page 442, of Official Records in Sheridan County, Wyoming and affects the title to the following described property now vested in the Landowner;

SW  $\frac{1}{4}$  NW  $\frac{1}{4}$ , NW  $\frac{1}{4}$  SW  $\frac{1}{4}$  of Section 20, T54N, R83W, excepting the following described tracts of land; (a) The North 38 feet of the West 330 feet of the said SW  $\frac{1}{4}$  NW  $\frac{1}{4}$ ; (b) Beginning at a point on the East right of way line of U.S. Highway 87 and the North line of the SW  $\frac{1}{4}$  NW  $\frac{1}{4}$  of said Sec. 20, the said point being 444 feet West of the Northeast corner of said SW  $\frac{1}{4}$  NW  $\frac{1}{4}$ ; thence S. 13° 56' E. along the East right of way line of said Highway 1920 feet, more or less, to a point on the East line of said NW  $\frac{1}{4}$  SW  $\frac{1}{4}$ ; thence North along the East line of said NW  $\frac{1}{4}$  SW  $\frac{1}{4}$  and SW  $\frac{1}{4}$  NW  $\frac{1}{4}$  to the Northeast corner of said SW  $\frac{1}{4}$  NW  $\frac{1}{4}$ ; thence West on the North line of said SW  $\frac{1}{4}$  NW  $\frac{1}{4}$  444 feet to the point of beginning. A tract of land situated in the SW  $\frac{1}{4}$  SW  $\frac{1}{4}$  of said Sec. 20 described as follows: Beginning at a point on the Northwest corner of said SW  $\frac{1}{4}$  SW  $\frac{1}{4}$ ; thence N. 88° 30' E. 884 feet to a point in the middle of the stream of the East Fork of Mead Creek; thence S. 10° E. a distance of 800 feet to a point in the said Stream; thence West to a point on the West line of said SW  $\frac{1}{4}$  SW  $\frac{1}{4}$  and 800 feet South of the Northwest corner thereof; thence North 800 feet to the point of beginning.

When Recorded Please Return To:  
CONOCO INC.  
Real Property Administration  
P. O. Box 1267  
Ponca City, OK 74603

WHEREAS, said right of way provides that no structure or improvement may be erected upon or made on the surface of said right of way; and

WHEREAS, Landowner has requested that a certain encroachment (such construction) be permitted upon and across said right of way which encroachment is described as follows:

Two six-inch (6") PVC water lines crossing the eight-inch (8") Seminole high-pressure petroleum products pipeline in the above-referenced legal description. One 6" PVC water line will be laid a minimum of 18" above the 8" Seminole pipeline. The second 6" PVC water line will be laid a minimum of 24" below the 8" Seminole pipeline. The

crossings will have concrete coating laid above the line and marking tape will be placed in the ditch to notify workmen that the water lines are crossing in this location.

NOW, THEREFORE, notwithstanding any of the provisions contained in said right of way which prohibits such construction, CPL hereby consents and agrees, insofar as CPL has the lawful right so to do, to the continued existence of such construction partly within the right of way area, subject to the following terms and conditions:

1. It is understood and agreed that, except as specifically permitted herein, Landowner shall not erect, construct or create any building, house, improvement, structure, or obstruction of any kind within said right of way area, or cause or permit such work or said acts to be done by others. The Landowner shall assume, indemnify, defend, and save harmless CPL, its successors and assigns, and its parent company, from any and all cost, loss, damage, expense or claim of any kind or nature whatsoever arising from any act of Landowner in connection with such construction or from the continued existence of such construction permitted hereunder.

2. If CPL deems it necessary to remove any portion of such construction to gain access to its pipelines, for repair, maintenance, or for any other purpose whatsoever, or in exercising any rights granted to it by the right of way, CPL may remove same, and after CPL has completed the work, Landowner agrees to perform any replacement necessary at their sole cost and expense. CPL shall not be responsible or liable to Landowner for any damage caused by such construction in the performance of the work done by CPL.

3. Landowner shall pay for any and all damages to CPL's pipeline or pipelines and shall hold CPL harmless and defend CPL from and against any and all loss or liability resulting from injury to or death of any person or persons, including Landowner, or damage to any property of any person, including Landowner's property, where such damage, injury or death result from Landowner's use of said right of way area of such construction.

4. It is understood and agreed that the above-described right of way shall remain in full force and effect except as set forth herein.

5. This Encroachment Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns.

Executed this 8 day of October, 1993.

WITNESS

Kay Albright

LANDOWNERS

By: J. Sean McKnight

Printed Name: J. Sean McKnight

Title: Landowner

ATTEST

Terry Franklin  
SEAL  
1993  
BELLEVILLE

CONOCO PIPE LINE COMPANY

By: Terry Franklin

Printed Name: Terry Franklin

Title: Vice President

Document No. 033741  
System/Subsystem SEM/001  
Pipe Size 8"  
Tract No. 9999.999  
Rods Purchased N/A  
Check No. N/A  
Charge \_\_\_\_\_

STATE OF TEXAS §  
 COUNTY OF HARRIS §

On this 21<sup>st</sup> day of December, 19 93, before me a notary public in and for said county and state, personally appeared TERRY FRANKLIN known to me to be the VICE PRESIDENT of CONOCO PIPE LINE COMPANY, the corporation that executed the above instrument, or the person that executed the instrument on behalf of said corporation, and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Kathy G. Williams  
 NOTARY PUBLIC

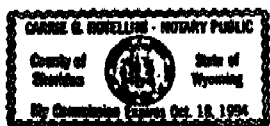
Residing at: 600 N. Dairy Ashford  
Houston, Tx. 77079

My Commission Expires:

STATE OF Wyo §  
 COUNTY OF Sheridan §

On this 8<sup>th</sup> day of OCTOBER, 19 93, before me a notary public in and for said county and state, personally appeared J. Sean McKnight, known to me to be the person(s) whose name is subscribed to the within instrument and acknowledged to me the he/she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Charles E. Sorellsen  
 NOTARY PUBLIC

Residing at:  
Sheridan, Wyo.

My Commission Expires:

OCT 18, 1994