

PIPELINE EASEMENT BY OWNER

RECORDED JANUARY 8, 1996 BK 377 PG 496 NO 216732 RONALD L. DAILEY, COUNTY CLERK

THIS INDENTURE, made this 3rd day of October, A.D., 1995, between WILLISTON BASIN INTERSTATE PIPELINE COMPANY, a corporation, Suite 300, 200 North Third Street, Bismarck, North Dakota 58501, hereinafter called "COMPANY," its successors and assigns, and the following named persons, herein, whether singular or plural, called "OWNER," namely:

JAMES R. PURDY AND LADONNA K. PURDY, husband and wife
3411 U.S. Highway 87
Banner Wyoming 82832

WITNESSETH, that for valuable considerations received, OWNER does hereby grant, bargain, sell and convey unto COMPANY, its successors and assigns, a non-exclusive easement during construction being 50 feet in width, being 25 feet left, and 25 feet right of the center line as laid out and/or surveyed, or as finally installed on the hereinafter described lands and to convert after construction to a easement being 30 feet in width, being 15 feet left and 15 feet right of the centerline as laid out and/or surveyed or as finally installed on the hereinafter described lands,, together with the right to construct, operate, maintain, repair, increase the capacity of, remove, and replace a gas pipeline, including necessary pipes, poles, and fixtures, through, over, under and across the following described real estate, situated in the County of Sheridan, State of Wyoming namely:

A tract or strip of land lying in the Northeast Quarter of the Northwest Quarter (NE1/4NW1/4) of Section Thirty-three (33), Township Fifty-four (54) North, Range Eighty-three (83) West of the Sixth (6th) Principal Meridian, said strip of land for CONSTRUCTION being Fifty (50) feet wide, Twenty-five (25) feet on each side and AFTER CONSTRUCTION being Thirty (30) feet wide, Fifteen (15) feet on each side of the following described centerline.

Beginning at a point on the North-South mid-section line which is South 77° 27' East, 2,726.5 feet from the Northwest Corner of said Section 33, thence North 24° 21' West, 301.0 feet to a point where the survey leaves James R. Purdy property, thence North 34° 17' West, 336.0 feet to a point where the survey re-enters James R. Purdy property, thence continuing North 34° 17' West, 30.0 feet, thence North 19° 06' East, 40.0 feet to a point which is South 89° 36' East, 2,489.8 feet from the Northwest Corner of Section 33.

OWNER, its successors and assigns, agrees not to build, create or construct or permit to be built, create, or constructed, any obstruction, building, engineering works or other structures upon, over, or under the strip of land herein described or that would interfere with said pipeline or COMPANY'S rights hereunder except with written consent from COMPANY, which will not be unduly held..

OWNER, its successors and assigns, hereby grants to COMPANY, its successors and assigns, the right at all reasonable times to enter upon said premises for the purpose of laying, constructing, maintaining, operating, replacing, increasing the capacity of, repairing or removing said gas pipeline and for the purpose of doing all necessary work in connection therewith.

COMPANY hereby agrees that it will pay any and all damages to the premises including but not limited to crops, fences, buildings and improvements on said premises caused by constructing, maintaining, repairing, replacing, increasing the capacity of, operating or removing said pipeline. The damages, if not mutually agreed upon, may be determined by three disinterested persons, one to be selected by COMPANY and one by OWNER; these two shall select a third person. The award of these three persons shall be final and conclusive.

The term of this Pipeline Easement shall be Sixty (60) years. COMPANY shall pay OWNER a sum equal to \$10.00 per rod for the initial 10 year Term. At the end of the initial 10 year term, this Pipeline Easement shall be automatically renewable for Two (2) successive Ten (10) year periods for the sum of \$10.00 per rod for each successive 10 year period. Said payments shall be due on the first day of each easement term. COMPANY and Owner shall renegotiate the easement payment for the remainder of the easement term after thirty (30) years.

In the event COMPANY ceases to use and operate said pipeline for a period of Two (2) consecutive years, this right-of-way easement shall terminate and COMPANY shall, upon request of OWNER, file for abandonment with the appropriate regulatory body. COMPANY shall, within Six (6) months from the receipt of regulatory abandonment approval, remove said pipeline from the premises of OWNER, or its successors in interest, and in the event COMPANY fails to effect such removal within such period, the OWNER shall, at its sole and exclusive option, either have said pipeline removed from said premises and COMPANY agrees to pay the full cost of said removal within thirty (30) days of completion of the removal of said pipeline, or OWNER may elect to become the full owner of said pipeline and COMPANY shall have no further interest therein.

If the hereindescribed lands are in the State of Wyoming, OWNER does hereby release and waive all rights under and by virtue of the homestead exemption laws of that state.

IN WITNESS WHEREOF, OWNER has executed these presents as of the day and year first above written.

James R. Purdy
LaDonna K. Purdy

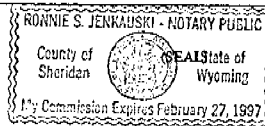
STATE OF WYOMING)

County Of Sheridan) ss.

On this 3rd day of October, 1995, before me personally appeared James R. Purdy and LaDonna K. Purdy, husband and wife known to me to be the same persons described in and who executed the above and foregoing instrument and acknowledged to me that they executed the same.

Ronnie S. Jenkauskis
Notary Public, _____ County, _____

State of _____



My commission Expires: _____

W.O 95300.1070 Tract No.BCS-55c L.R.R.No.