Alliance Pipeline, Inc.
99 Nevada Ave., Suite 101
Mankato, MN
56001

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DELAWARE COUNTY IOWA
FILED
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BOOK 8 PAGE 61
DEBORAH L. BENTON
DELAWARE CO. RECORDER
31.00

Prepared by Ken Goulart, Iowa Land Manager, 3343 Southgate Ct. SW, Ste 201, Cedar Rapids, IA 52404 (319) 362-0699
name address telephone

Tract No IA-DE-0405- 0406

ALLIANCE PIPELINE L.P.

EASEMENT AND RIGHT-OF-WAY AGREEMENT

For and in consideration of the sum of Ten and 00/100 Dollars ($10.00), in hand paid, the mutual promises of the parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Ralph L. Thompson, H Kathleen Knudtson, Robert J. Thompson and Gail I. Johnston, formerly known as Gail I. Brownwell whose mailing address is 14 Oak Ridge Dr. Oaklank Acres Grinell,IA 50112 (hereinafter called "Grantor") does hereby grant, sell, convey and warrant unto Alliance Pipeline L.P., a Delaware limited partnership, having its principal place of business at 400, 605 - 5 Avenue SW, Calgary, Alberta, Canada, T2P 3H5, its successors and assigns (hereinafter called the "Grantee"), an exclusive right-of-way and perpetual easement for the purposes of surveying, laying, constructing, inspecting, maintaining, operating, repairing, replacing, altering, reconstructing, removing and abandoning in place a pipeline, together with all fittings, cathodic protection equipment, pipeline markers, and all other equipment and appurtenances thereto, for the transportation of natural gas, and associated liquids or substances, along routes convenient for Grantee's operations on, over, under, across and/or through a strip of land 60 feet in width, as described under the heading "Permanent Easement and Right-of-Way" in Exhibit A, which is attached hereto and made a part hereof. In addition, during the original construction of the pipeline, the easement and right-of-way granted hereunder shall also include the area described under the headings "Temporary Work Space" and "Additional Temporary Work Space" in Exhibit A hereto. Grantee may temporarily use additional temporary workspace adjacent to the area described in Exhibit A hereto to the extent necessary during construction of Grantee's pipeline.

The aforesaid rights, privileges, easement and right-of-way are herein granted subject to the following terms, stipulations and conditions which are hereby covenanted and agreed to by the Grantor. By acceptance of any of the benefits hereunder, the Grantee shall be deemed to have agreed to be bound by the covenants applicable to Grantee hereunder.

1. Unless otherwise expressly provided herein, Grantee shall construct and install its pipeline in a manner consistent with the Agricultural Impact Mitigation Agreement entered into between Grantee, the Iowa Attorney General's Office, the Iowa Department of Agriculture and Land Stewardship and the Office of Consumer Advocate, on September 2, 1997 and September 3, 1997.

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2. Provided its use does not in any manner interfere with or prevent the exercise by Grantee of its rights hereunder, or create any actual or potential hazard to the pipeline or its appurtenances, the undersigned Grantor, his successors, heirs or assigns, reserve all oil, gas and minerals on and under said lands and the right to farm, graze and otherwise fully use and enjoy said lands; provided, however, that the Grantee shall have the right hereafter to cut, keep clear and remove all trees, brush, shrubbery, structures and other obstructions or facilities in the easement being conveyed which are deemed by Grantee to injure, endanger or interfere in any manner with the proper and efficient construction, use, inspection or maintenance of said pipeline, or fittings, cathodic protection equipment and other appurtenances thereto; and, provided, further, that Grantor shall not excavate or otherwise alter the ground elevation, construct any dam or otherwise create a water impoundment within or over the easement without prior authorization of the Grantee. The Grantee shall have all privileges necessary or convenient for the full use of the rights herein granted, together with reasonable ingress and egress along the said pipeline. Grantee shall have the right to remove all fences from the easement as required for purposes of construction of Grantee's pipeline and Grantee shall repair all such fences promptly upon completion of construction on Grantor's property. Following the commencement of construction of the pipeline, Grantee shall continue to own the pipeline and all other equipment and facilities it installs or constructs within the easement and right-of-way.

3. The Grantee, by the acceptance hereof, agrees to pay for damages to crops, pasture, fences, drainage tile, structures and timber which may arise from the laying, constructing, maintaining, operating, repairing, replacing or removing of the said pipeline.

4. Any payment hereunder may be made or mailed to the Grantor at the address shown above or to

_____

_____

_____

who is hereby appointed agent and authorized to receive and receipt for same, and who is also appointed the true and lawful attorney in fact for the undersigned. The agency and power of attorney granted by Grantor to its agent hereunder shall not be deemed revoked until written notice from Grantor has been received by Grantee.

5. Except as provided above with respect to limitations on damages, Grantee shall indemnify Grantor from any loss, damages claims or actions resulting from Grantee's use of the easement and right-of-way, unless such loss, damage, claim or action results from the negligence, intentional acts or willful misconduct or omission of the Grantor. Grantor shall indemnify Grantee from any loss, damages, claims or actions alleging injury to Grantor, its invitees, licensees, agents or employees who enter the easement area, unless such loss, damage, claim or action results from the negligence or willful misconduct of the Grantee.

6. The undersigned hereby bind themselves, their heirs, executors, administrators, successors and assigns, to warrant and forever defend this easement and right-of-way unto the Grantee, its successors and assigns, against every person claiming or to claim the same, or any part thereof. The easement and right-of-way granted hereby shall create a covenant and burden upon Grantor's land running therewith.

7. The Grantor agrees to execute and deliver to Grantee, without additional compensation, any additional documents needed to correct the legal description of the easement area to conform to the easement and right-of-way actually occupied by the pipeline. Said document, if required, will be prepared by Grantee at its expense.

8. The rights granted hereby may be assigned by Grantee in whole or in part.

9. This Agreement shall be governed by the law of the State in which the land is situated.

10. This Agreement may be executed in counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument. Grantor's spouse, if not a titleholder, executes this Easement and Right-of-Way for the purpose of relinquishing all spousal rights including dower, homestead and distributive share. Words and phrases herein shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender according to the context.

IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the 12TH day of JUNE, 1998.

GRANTOR:
SS#:

By: _____
Ralph L. Thompson

SS#

By: _____
Robert J. Thompson

SS# [redacted]

By: Gail I. Johnston
Gail I. Johnston formerly known as
Gail I. Brownell

SS# [redacted]

By: H. Kathleen Knudtson
H. Kathleen Knudtson

ACKNOWLEDGMENTS

INDIVIDUAL:

STATE OF IOWA)
) ss:
Linn COUNTY)

This instrument was acknowledged before me on June 12, 1998 by Gail I. Johnston and H. Kathleen Knudtson.

Richard E. Mason
_____, Notary Public

NOTARIAL SEAL IOWA
RICHARD E MASON
MY COMMISSION EXPIRES
1-13-99

INDIVIDUAL:

STATE OF IOWA)
) ss:
_____ COUNTY)

This instrument was acknowledged before me on _____, 199___ by _____.

_____
_____, Notary Public

REPRESENTATIVE CAPACITY:

STATE OF IOWA)
) ss:
_____ COUNTY)

This instrument was acknowledged before me on _____, 199___ by _____ as _____ of _____.

_____
_____, Notary Public

ALLIANCE pipeline™

ALLIANCE PIPELINE LIMITED PARTNERSHIP

Tract No. IA-DE-0405 AND IA-DE-0406
RALPH L. THOMPSON, ET AL

EXHIBIT "A"

REFERENCE LINE DESCRIPTION*

PERMANENT EASEMENT

BEING A PERMANENT EASEMENT AND RIGHT OF WAY, SIXTY (60) FEET IN WIDTH, OVER, UNDER AND ACROSS THAT CERTAIN PARCEL OF LAND DESCRIBED AS THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 24 AND THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 25, ALL IN TOWNSHIP 87 NORTH, RANGE 5 WEST, DELAWARE COUNTY, IOWA. SAID PROPERTY BEING DESCRIBED IN A DEED, RECORDED IN BOOK 110, PAGE 264 OF THE DEED RECORDS OF DELAWARE COUNTY, IOWA. SAID PERMANENT EASEMENT AND RIGHT OF WAY BEING FIFTEEN (15) FEET NORTHEASTERLY AND FORTY FIVE (45) FEET SOUTHWESTERLY OF THE FOLLOWING DESCRIBED REFERENCE LINE:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTH HALF OF THE SOUTHWEST QUARTER IN SECTION 24, TOWNSHIP 87 NORTH, RANGE 5 WEST, THENCE NORTHERLY ALONG THE WEST LINE OF SAID PROPERTY, A DISTANCE OF 500 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 72° EAST, A DISTANCE OF 710 FEET TO A POINT;

THENCE SOUTH 22° EAST, A DISTANCE OF 960 FEET TO A POINT, SAID POINT BEING APPROXIMATELY 65 FEET NORTHEASTERLY OF, AND COMMENCING PARALLEL WITH, AN EXISTING 12 INCH DOME PIPELINE THE FOLLOWING COURSE AND DISTANCE:

THENCE SOUTH 53° EAST, A DISTANCE OF 830 FEET TO THE TERMINAL POINT OF SAID REFERENCE LINE. SAID TERMINAL POINT BEING IN THE SOUTH LINE OF SAID PROPERTY, BEING 1170 FEET WEST OF THE SOUTHEAST CORNER OF SAID PROPERTY IN SECTION 25, TOWNSHIP 87 NORTH, RANGE 5 WEST, DELAWARE COUNTY, IOWA, BEING 151 RODS IN LENGTH AND CONTAINING 3.7 ACRES OF LAND, MORE OR LESS.

TEMPORARY WORK SPACE

BEING A STRIP OF LAND, FORTY FIVE (45) FEET IN WIDTH, CONTIGUOUS TO AND PARALLEL WITH THE NORTHEASTERLY LINE OF THE ABOVE DESCRIBED PERMANENT EASEMENT AND RIGHT OF WAY, EXTENDING OR SHORTENING AT THE SIDE LINES OF SAID TEMPORARY WORK SPACE EASEMENT TO INTERSECT WITH AND TERMINATE AT THE EAST RIGHT OF WAY LINE OF A TOWNSHIP ROAD, THE NORTHWESTERLY AND SOUTHEASTERLY HIGH BANKS OF WOODS LIME CREEK, THE NORTH RIGHT OF WAY LINE OF A TOWNSHIP ROAD, THE SOUTH RIGHT OF WAY LINE OF A TOWNSHIP ROAD AND THE SOUTH LINE OF SAID PROPERTY IN SECTION 25, CONTAINING 2.6 ACRES OF LAND, MORE OR LESS.

ADDITIONAL TEMPORARY WORK SPACE

BEING FOUR (4) ADDITIONAL TEMPORARY WORK SPACE EASEMENTS. THE FIRST ADDITIONAL TEMPORARY WORK SPACE EASEMENT BEING A STRIP OF LAND, TWENTY FIVE (25) FEET IN WIDTH, CONTIGUOUS TO AND PARALLEL WITH THE NORTHEASTERLY LINE OF THE ABOVE DESCRIBED TEMPORARY WORK SPACE EASEMENT, EXTENDING OR SHORTENING AT THE SIDE LINES OF SAID FIRST ADDITIONAL TEMPORARY WORK SPACE EASEMENT TO INTERSECT WITH AND TERMINATE AT THE EAST RIGHT OF WAY LINE OF A TOWNSHIP ROAD, THE NORTHWESTERLY AND SOUTHEASTERLY HIGH BANKS OF WOODS LIME CREEK AND THE NORTH RIGHT OF WAY LINE OF A TOWNSHIP ROAD. THE SECOND ADDITIONAL TEMPORARY WORK SPACE EASEMENT BEING A STRIP OF LAND, TWENTY FIVE (25) FEET IN WIDTH, CONTIGUOUS TO AND PARALLEL WITH THE SOUTHWESTERLY LINE OF THE ABOVE DESCRIBED PERMANENT EASEMENT AND RIGHT OF WAY, EXTENDING OR SHORTENING AT THE SIDE LINES OF SAID SECOND ADDITIONAL TEMPORARY WORK SPACE EASEMENT TO INTERSECT WITH AND TERMINATE AT THE EAST RIGHT OF WAY LINE OF A TOWNSHIP ROAD, THE NORTHWESTERLY AND SOUTHEASTERLY HIGH BANKS OF WOODS LIME CREEK AND THE NORTH RIGHT OF WAY LINE OF A TOWNSHIP ROAD. THE THIRD AND FOURTH ADDITIONAL TEMPORARY WORK SPACE EASEMENTS BEING TWENTY FIVE (25) FEET IN WIDTH BY ONE HUNDRED TWENTY FIVE (125) FEET IN LENGTH (ONE HUNDRED TWENTY FIVE (125) FEET SHALL BE THE SHORTEST SIDE IN LENGTH) STRIPS OF LAND. THE THIRD BEING CONTIGUOUS TO THE SOUTH RIGHT OF WAY LINE OF A TOWNSHIP ROAD, CONTIGUOUS TO AND PARALLEL WITH THE SOUTHWESTERLY LINE OF THE ABOVE DESCRIBED PERMANENT EASEMENT AND RIGHT OF WAY. THE FOURTH BEING CONTIGUOUS TO THE SOUTH RIGHT OF WAY LINE OF A TOWNSHIP ROAD, CONTIGUOUS TO AND PARALLEL WITH THE NORTHEASTERLY LINE OF THE ABOVE DESCRIBED TEMPORARY WORK SPACE EASEMENT. THE FIRST, SECOND, THIRD AND FOURTH ADDITIONAL TEMPORARY WORK SPACE EASEMENTS CONTAINING 1.2 ACRES OF LAND, MORE OR LESS.

***NOTE: THIS IS NOT A SURVEY, ALL BEARINGS AND DISTANCES ARE APPROXIMATE**

11/4/97 (Ver. 1)