References to "Grantor" herein shall be modified as appropriate to confer rights of "Grantor" on Iowa Interstate Railroad and Heartland, Inc. and, in particluar, the easement shall expressly grant Iowa Interstate Railroad and Heartland, Inc. and their respective successors and assigns the rights to enforce the covenants and benefit from the indemnities of the "Grantee".

Compared

FILED NO. 2644
BOOK 119 PAGE 701

5pgs. 1986 JUN 16 AM 7:56
Fee $25.00
MARY E. WELTY
RECORDER
MADISON COUNTY, IOWA

EASEMENT GRANT

KNOW ALL MEN BY THESE PRESENTS:

That Rick Stickle, President of Hawkeye Land Co., "Grantor," and pursuant to every other power and authority to him pertaining; in consideration of the sum of TEN AND 00/100 DOLLARS ($10.00) and other good and valuable consideration in hand paid, does hereby grant convey and quitclaim unto CITY OF EARLHAM, IOWA "Grantee," an easement for pipeline purposes, and no other purpose, in the County of MADISON, State of IOWA, along the course indicated in hatched lines on the print attached hereto marked Exhibit "A" and by reference made a part hereof, legally described on Exhibit "C" attached hereto and by reference made a part hereof.

Grantee's use of the property herein described is made subject to the following terms and conditions which are deemed covenants and shall run with the land:

1. The pipeline, when constructed, or if and when the existing pipe shall be replaced, shall be constructed of PVC where it passes beneath the tracks of the Grantor, and across the Grantor's property, and it shall not be more than 10 inches in diameter, inside measurement. Said pipeline shall be encased in a 12" STEEL pipe under the Grantor's tracks and for a distance of 25 feet on each side of the track, as measured at right angles thereto. Said pipe shall be laid at a substantially uniform grade entirely across the property of the Grantor, and the top of pipe shall not be less than 4.6 feet below the base of the rail of any tracks, nor at any point at a sufficiently shallow depth to be affect by frost, as provided in the print attached hereto, marked Exhibit "B" and by reference made a part of this agreement.

2. Grantor shall permit Grantee reasonable right of entry for the purpose of constructing, replacing, repairing, maintaining and operating said pipeline.

3. Grantee shall pay the entire cost of constructing, replacing, repairing, maintaining and operating said pipeline. All of said work shall be done in a good and workmanlike manner and in accordance with the plans, specifications and profiles, specifically including data of commencement of work, to be prepared by Grantee and submitted in writing for approval to Grantor; and, except in emergencies, until such approval is first had, and such approval shall not be unreasonably withheld, said work upon Grantor's premises shall not be begun by Grantee. Grantor reserves the right to have a representative present, but in no way waives any rights under this easement agreement by failing to have said representative present.

4. Grantor shall have the right to retain existing tracks and other improvements at the location of this easement and shall also have the right at any and all times in the future to construct, maintain and operate over said easement such additional track, tracks and other improvements as he may from time to time elect. Nothing shall be done or suffered to be done by Grantee that will in any manner impair the usefulness or safety of the existing tracks and other improvements of the Grantor or of such track, tracks and other improvements as Grantor may construct in the future across or above said easement. The Grantor reserves the right to grant future easements under, over, across or parallel with the above-described premises.

5. Grantee agrees that before and during the construction, replacement, repair, maintenance or operation of said pipeline, or at any other time, Grantor shall have the right to provide such safe and temporary structures as he may deem necessary for safety, caring for and preserving his tracks, buildings or other improvements, and Grantee agrees to pay to Grantor the entire cost of putting in and removing such temporary structures and of restoring the property of Grantor as near as may be to the same condition in which it was before the commencement of the work.

6. Grantee agrees that if, at anytime, Grantor shall change the location or grade of his tracks at any point of crossing or at any point along a parallel course for any purpose whatever, Grantee, at its own expense shall make all changes required by Grantor. If Grantee shall fail, neglect or refuse to make such change for a period of thirty (30) days after receiving written notice from Grantor, then Grantor may forthwith make such change at Grantee's expense.

7. Grantee shall at all times construct, replace, repair, maintain and operate said pipeline in a secure, safe and sanitary condition and in accordance with all applicable laws, ordinances, rules and regulations and shall pay promptly when due all taxes levied or assessed upon Grantee or upon Grantee's use and enjoyment of the rights granted herein including income derived therefrom. If the manner of constructing, replacing, repairing, maintaining and operating said pipeline shall at anytime be in violation of any applicable law, rule, regulation or ordinance, then Grantee shall at no cost or expense to Grantor, upon receipt of appropriate notice from a governmental agency having enforcement jurisdiction in the premises make such changes or repairs as shall be necessary. Failure or refusal of Grantee to make the required changes or repairs within the time prescribed by said agency or to make timely payment of taxes shall terminate this easement, provided that it shall not terminate as long as Grantee in good faith and by pursuit of appropriate legal or equitable remedies, enjoins, defends against, appeals from or pursues other lawful measures to avoid the enforcement of said laws, ordinances, rules, regulations or taxes.

8. Grantee agrees that it will at all times defend, indemnify and hold harmless the Grantor, his tenants, agents and employees, against all claims, demands, actions and causes of actions, including, but not limited to, judgments, settlements, attorneys' fees and court costs in connection therewith, arising or growing our of loss or damage to property or injury to or death of any persons resulting in any manner from said pipeline, (irrespective of whether any act or omission to act by Grantor, his tenants, agents or employees, shall cause or contribute thereto, and shall promptly pay to the Grantor the full amount of any loss or damage which the Grantor may sustain, incur or become liable for, and all sums which the Grantor may pay or be compelled to pay in settlement of any claim on account thereof).

9. All rights and interest to said property shall revert to Grantor if Grantee vacates, abandons or ceases to use said easement with the intent to permanently vacate, abandon or cease to use said easement. Upon such permanent abandonment, Grantee, at it own expense, shall remove its improvements and restore said easement premises to their original condition.

10. Notwithstanding anything to the contrary herein, the Grantor shall in no event incur liability to Grantee for the failure of or defect in the title or estate of the Grantor in and to the real estate over, under or along which the above-described easement lies.

11. The grants, covenants and stipulations hereof shall extend to and be binding upon the respective successors and assigns of the parties hereto, including Iowa Interstate Railroad and Heartland, Inc. and subsequent owners of the real estate burdened with this easement.

12. Each of the parties hereto agrees to execute and deliver unto the other all such documents as may be necessary or appropriate for the effectuation of the provisions and intent of this agreement.

IN WITNESS WHEREOF, this instrument is executed by Grantor this 3RD day of JUNE, 19 86.

WITNESS:

RICK STICKLE, PRESIDENT
HAWKEYE LAND CO.
P.O. BOX 5399
CEDAR RAPIDS, IA 52406

STATE OF IOWA)
) SS
COUNTY OF LINN)

On this 3rd day of June, A.D., 1986, before me the undersigned, a Notary Public in and for said County, in said State, personally appeared Rick Stickle, the President aforesaid, to me known to be the identical person named in and who executed the foregoing instrument, and acknowledged that he executed the same as his free and voluntary act and deed and in the capacity therein stated.

CONNIE L. BETZER
MY COMMISSION EXPIRES
8-18-86

Connie L. Betzer
NOTARY PUBLIC IN AND FOR STATE OF IOWA

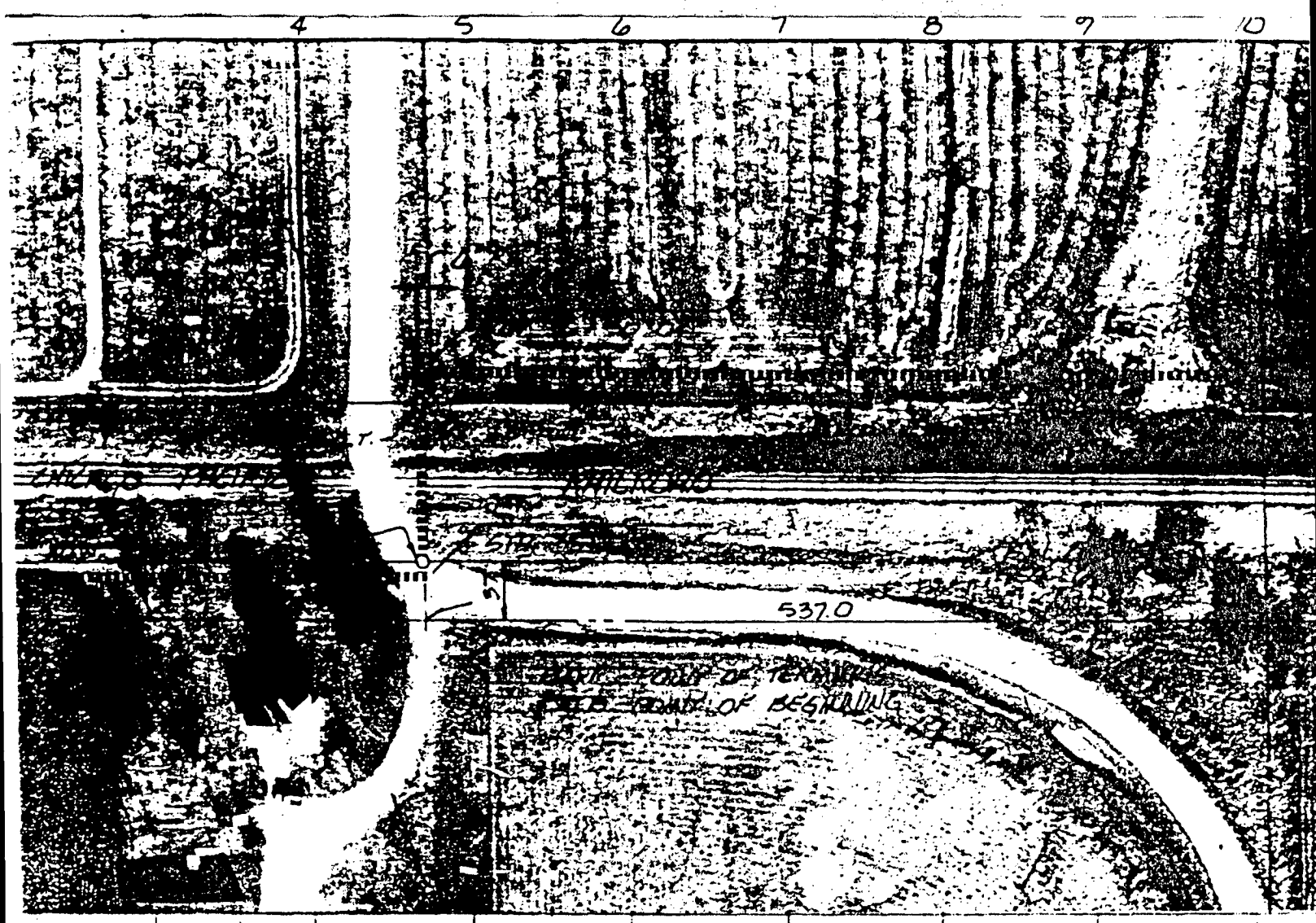
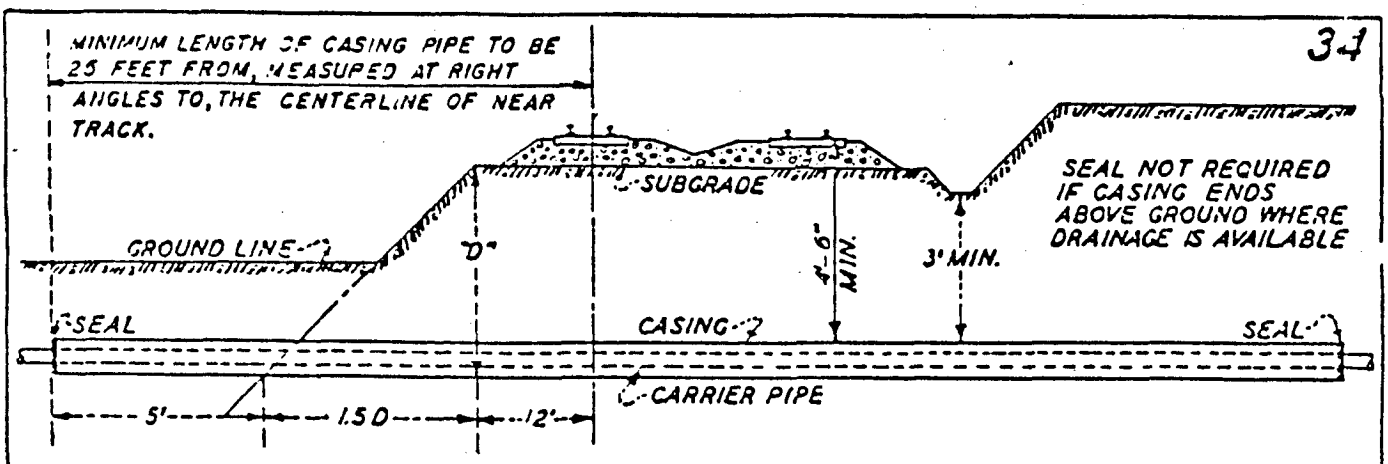


EXHIBIT "A"



-GENERAL INSTRUCTIONS-

1: SCOPE- PIPE LINES UNDER THESE SPECIFICATIONS ARE THOSE INSTALLED TO CARRY STEAM, WATER OR ANY NONFLAMMABLE SUBSTANCE WHICH FROM ITS NATURE OR PRESSURE MIGHT CAUSE DAMAGE IF ESCAPING ON OR IN THE VICINITY OF RAILROAD PROPERTY.

2: INSTALLATION: LOW PRESSURE WATER PIPE LINES UNDER RAILROAD TRACKS, SERVING DOMESTIC USERS, THAT DO NOT EXCEED 2" IN DIAMETER WILL NOT REQUIRE ENCASEMENT. ALL PIPE LINES OF MORE THAN 2" IN DIAMETER WILL REQUIRE ENCASEMENT PIPE EXCEPT WHERE SPECIFIC AUTHORITY IS OBTAINED FROM THE CHIEF ENGINEER TO DEVIATE FROM THIS STANDARD.

3: CARRIER PIPE UNDER RAILROAD TRACK OR RIGHT OF WAY SHALL BE OF APPROVED CONSTRUCTION AND LAID SO THAT NO JOINTS ARE DIRECTLY UNDER TRACK TIES.

4: CASING PIPE AND JOINTS MAY BE OF ANY APPROVED CONDUIT CONSTRUCTION AND SHALL BE CAPABLE OF WITHSTANDING THE LOAD OF RAILROAD ROADBED, TRACK AND TRAFFIC; ALSO SHALL BE SO CONSTRUCTED AS TO PREVENT LEAKAGE OF ANY MATTER FROM THE CASING OR CONDUIT THROUGHOUT ITS LENGTH UNDER THE TRACK AND RAILROAD RIGHT OF WAY, EXCEPT AT THE ENDS OF THE CASING OR CONDUIT WHERE THE ENDS ARE LEFT OPEN. CASING SHALL BE SO INSTALLED AS TO PREVENT THE FORMATION OF A WATER WAY UNDER THE RAILROAD. CASING SHALL BE INSTALLED WITH EVEN BEARING THROUGHOUT ITS LENGTH AND SHALL SLOPE TO ONE END.
THE INSIDE DIAMETER OF THE CASING SHALL BE AT LEAST 2" GREATER THAN THE LARGEST OUTSIDE DIAMETER OF CARRIER PIPE JOINTS OR COUPLINGS.

5: SEALS- WHERE THE ENDS OF THE CASING ARE BELOW GROUND THEY SHALL BE SUITABLY PROTECTED AGAINST THE ENTRANCE OF FOREIGN MATERIAL WHICH MAY PREVENT READY REMOVAL OF CARRIER PIPE. WHERE THE ENDS OF THE CASING ARE AT OR ABOVE GROUND SURFACE, AND ABOVE HIGH WATER LEVEL, THEY MAY BE LEFT OPEN, PROVIDING DRAINAGE IS AFFORDED IN SUCH A MANNER THAT LEAKAGE WILL BE CONDUCTED AWAY FROM THE ROADBED AND STRUCTURES. SEALS NOT TO BE INSTALLED IN CASING ON CARRIER PIPES THAT CARRY SUBSTANCES UNDER PRESSURE.

6: DEPTH OF CASING- THE TOP OF THE CASING PIPE SHALL BE BELOW THE FROST LINE AND AT ITS CLOSEST POINT SHALL NOT BE LESS THAN 4½ FEET BELOW BASE OF RAILROAD RAIL. ON OTHER PORTIONS OF THE RAILROAD RIGHT OF WAY WHERE THE CASING IS NOT DIRECTLY BENEATH ANY TRACK THE DEPTH FROM THE SURFACE OF THE GROUND AND FROM THE BOTTOM OF DITCHES TO THE TOP OF THE CASING, SHALL NOT BE LESS THAN 3 FEET. WHERE IT IS NOT PRACTICAL TO SECURE THE ABOVE DEPTHS, SPECIAL CONSTRUCTION SHALL BE USED.

7: LENGTH- CASING SHALL EXTEND EACH SIDE FROM THE CENTER LINE OF THE OUTSIDE TRACK MEASURED AT RIGHT ANGLES A MINIMUM DISTANCE OF 12' + 5' + 1.5D (WHERE 'D' EQUALS THE DEPTH OF THE BOTTOM OF THE CASING BELOW SUBGRADE) SEE PLAN. IF ADDITIONAL TRACKS ARE CONSTRUCTED IN THE FUTURE, THE CASING SHALL BE CORRESPONDINGLY EXTENDED.

8: SHUT OFF VALVES- WHERE WARRANTED BY SPECIAL LOCAL CONDITIONS, AND WHEN MUTUALLY AGREED TO BY THE RAILROAD CO. AND THE OWNER OF THE PIPE LINE, ACCESSIBLE EMERGENCY SHUT OFF VALVES SHALL BE INSTALLED WITHIN EFFECTIVE DISTANCE AT EACH SIDE OF THE CROSSING.

9: APPROVAL OF PLANS- WHERE IT IS IMPRACTICABLE TO COMPLY WITH THIS PLAN, DEVIATION MUST BE APPROVED BY CHIEF ENGINEER.

EXHIBIT B

PLAN TO ACCOMPANY CONTRACTS
FOR UNDERGRADE PIPE LINE CROSSINGS
TO CARRY NONFLAMMABLE SUBSTANCES.

ADOPTED: AUG. 10, 1954

J. T. Stanald — ENGINEER M. OF W.

W. B. Stockmoton — CHIEF ENGINEER

B. E. Johnson — VICE PRESIDENT OPERATIONS

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EXHIBIT "C"

City of Earlham

Earlham, Iowa

10" Water Pipeline Crossing

A 10 foot nonexclusive easement across the former right-of-way of the C.R.I.& P. RR Co., as now evidenced, monumented, occupied, or recorded in the Southeast Quarter of Section 6, Township 77 North, Range 28 West, of the Fifth Principal Meridian, Madison County, Iowa, described as follows:

Beginning at a point 537.0 feet West and 37.0 feet North of the Southeast corner of said Section 6, said point being on the south right-of-way line of said former Railroad; thence continuing North a distance of 100.0 feet to the terminus point, said point being on the north right-of-way line of said former Railroad.

aw