

R/W No.: 02-02-007, 009

**RIGHT-OF-WAY AND
EASEMENT GRANT**

Prepared by:

Gregory A. Wheeler
Vector Pipeline L.P.
21 West Superior Street
Duluth, Minnesota 55802

FILED

JUN 16 1998

SAM ORLICH

RECORDER LAKE COUNTY

98045677

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

98 JUN 18 AM 8:10

MORRIS V. CARTER
RECORDER

Return to:

Vector Pipeline L.P.
16 W. Van Buren, Suite 304
Joliet, IL 60432

FOR RECORDER'S USE ONLY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Leon Heldt, Successor Trustee, whose mailing address is c/o L. & E. Heldt, 453 Miller St., Unit #5, Beecher, Illinois 60401 (hereinafter called "Grantor"), whether one or more, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant and convey to VECTOR PIPELINE L.P., a Delaware limited partnership, of 21 West Superior Street, Duluth, Minnesota 55802, its grantees, successors and assigns (hereinafter called "Grantee"), an exclusive right-of-way and perpetual easement to construct, operate, maintain, inspect (including aerial patrol), remove, abandon in place, replace and reconstruct one pipeline, together with valves, fittings, protective apparatus and all other equipment and appurtenances as may be convenient in connection therewith for the transportation of natural gas and associated by-products, crude petroleum, and any product, by-product and derivatives thereof, whether liquid or gaseous, or any material or substance which can be conveyed through a pipeline on, over, under and across a strip of land, as described in Exhibit A, which is attached hereto and incorporated herein (hereinafter referred to as the "Right-of-Way"), which the Grantor warrants that Grantor owns in fee simple, together with the right to clear and to keep cleared the Right-of-Way so as to prevent damage or interference with its efficient operation and patrol, and the right to install and operate an underground telecommunications system within the Right-of-Way for the purpose of operating and maintaining such pipeline. The Grantor further grants the Grantee the right of reasonable ingress and egress to and from the Right-of-Way for all purposes convenient or incidental to the exercise by the Grantee of the rights herein granted, provided that reimbursement is paid for any damages incurred, together with the right to use such of Grantor's lands immediately adjacent to the south side of the Right-of-Way not exceeding 60 feet in width for temporary initial construction.

The aforesaid rights and easement are granted as and from the date hereof, and shall be perpetual, on the following terms and conditions, which are hereby mutually covenanted and agreed to, by and between the Grantor and the Grantee.

FIRST: Grantor covenants with Grantee that they are the lawful fee simple owner of the aforesaid lands, and that they have the right and authority to make this grant, and that they will forever warrant and defend the title thereto against all claims whatsoever, excepting all matters appearing of record in the Recorder's Office of Lake County, Indiana as of this date.

SECOND: Prior to installation of said pipeline, Grantee shall pay to Grantor additional consideration in that amount as set forth by agreement dated 6-8-98 by and between Grantee and Grantor and hereby incorporated herein. In the event Grantee does not make the aforesaid payment on or before December 31, 1999, then this Right-of-Way and Easement Grant shall terminate and Grantee shall, upon written request of the Grantor, forthwith execute and deliver to the Grantor an instrument releasing and terminating all rights herein granted.

THIRD: The Grantee shall, at the time of construction, bury said pipeline at a sufficient depth through cultivated lands so that it will not interfere with ordinary annual crop cultivation, and also pay for damage to annual crops, fences, trees and other existing improvements which may arise from the exercise of the rights herein granted. Said damages, if not mutually agreed upon, shall be determined by three disinterested persons, one to be appointed by the Grantor, one by the Grantee, and the third by the two persons aforesaid; and the award of such three arbitrators, or any two of them in writing, shall be final. The cost of such arbitration shall be borne equally by the Grantor and the Grantee. Grantee shall have the right to clear and keep cleared all trees, undergrowth, and other obstructions from the herein granted Right-of-Way and after said pipeline has been installed Grantee shall not be liable for damages caused on the Right-of-Way by keeping said Right-of-Way clear of such trees, undergrowth and other obstructions, in the exercise of its rights herein granted.

001273

2100 km

(7 pgs) ck # 01348

FOURTH: The Grantor shall not excavate, drill, install, erect or permit to be excavated, drilled, installed or erected on, over, under or across the said Right-of-Way and easement any pit, well, foundation, pavement, road or other structure or installation without Grantee's prior written permission, but otherwise the Grantor shall have the right fully to use and enjoy said premises except as the same may be necessary, convenient or incidental to the purposes herein granted to the Grantee. Further, the Grantor shall not materially alter the grade of the Right-of-Way and easement without the express, prior written consent of the Grantee. Rider "A" identified with the signatures of the parties is attached hereto and made a part hereof and supersedes any inconsistent provisions of this agreement.

FIFTH: Grantee agrees to indemnify and hold Grantor harmless from any and all losses of or damages to property or injuries to or death of any person resulting from Grantee's activity on the Right-of-Way unless such loss, damage, injury or death results from the negligence or willful misconduct of Grantor, its agents, representatives, employees, contractors or invitees.

SIXTH: The Grantee shall have the right to assign and mortgage this agreement and the easement herein granted in whole or part as to all or any portion of the rights accruing hereunder, subject always to the terms hereof, provided that the Grantee shall not be relieved of any liability hereunder by reason of such assignment and/or mortgage.

SEVENTH: This agreement, including all the covenants and conditions herein contained, shall be construed as creating a Right-of-Way and easement appurtenant to the property owned by the Grantor and shall extend to, be binding upon, and inure to the benefit of the heirs, executors, administrators, successors in title and assigns of the Grantor and the Grantee respectively.

EIGHTH: Grantor represents and warrants that the individual signing below is authorized to execute this instrument on behalf of the provisions of trust agreement dated June 11, 1996, known as Trust Number M-96-247, and on behalf of the provisions of trust agreement dated May 30, 1996, known as Trust Number F-96-248.

Parties may execute separate original counterparts of this instrument and such execution shall have the same effect as if each party executed the same counterpart. All counterparts shall be construed together and shall constitute one instrument.

IN WITNESS WHEREOF, the Grantor has executed this document this 8th day of JUNE, 1998

GRANTOR:

Leon R. Heldt
LEON HELDT, SUCCESSOR TRUSTEE

GRANTEE:

VECTOR PIPELINE L.P.
BY VECTOR PIPELINE, INC. AS GENERAL PARTNER

BY: Vince Pizzano
NAME: VINCE PIZZANO
TITLE: ATTN-LEGAL



INDIVIDUAL TRUSTEE ACKNOWLEDGEMENT

STATE OF Illinois)

COUNTY OF Will)

ss.:

On this the 8th day of JUNE, 1998, personally appeared before me LEON HELDT, who being by me duly sworn, did say on oath that he is the Successor Trustee of the Trust F96-248 and Trust M96-247 Trust(s) and said instrument was signed by the said LEON HELDT in his capacity as Successor Trustee and on behalf of said Trust(s) as duly authorized by the Trust document(s), and said LEON HELDT acknowledged to me that he executed this instrument for the purposes and consideration therein expressed.

Marla J. Heldt

Notary Public
My Commission Expires:

OFFICIAL SEAL
MARLA J HELDT
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. APR. 26, 1999



STATE OF Illinois)

COUNTY OF Will)

ss.:

On this the 8th day of June, 1998, personally appeared before me Vince Pizarro acting in his/her capacity as Atty-In-Fact of Vector Pipeline, Inc., as General Partner of Vector Pipeline, L.P., a Delaware limited partnership, signer of the foregoing instrument, and acknowledged the same to be his/her free act and deed as Atty-In-Fact of such General Partner and the free act and deed of said partnership.

Cindy L. Chandler

Notary Public
My Commission Expires:

OFFICIAL SEAL
CINDY L. CHANDLER
Notary Public - Illinois
WILL COUNTY
My Commission Expires
March 12, 2002

EXHIBIT A

A strip or parcel of land fifty feet in width (50') on, over and across a portion of the fractional East Half of the Northwest Quarter (E/2 NW/4) and the fractional Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of Section 6, Township 34 North, Range 9 West of the Second Principal Meridian, Lake County, Indiana, the South line of which shall be no more than 35 feet South of and more or less parallel to the existing overhead electrical transmission easement, with the exact legal description to be determined by as built survey made by a registered surveyor to be delivered to the Grantor no later than six months after completion of the construction of the pipeline through the foregoing property; it being understood that the parties will execute a recordable instrument defining such easement within the same time period.

The property through which the foregoing right of way passes is the property more particularly described in Deed dated June 11, 1996, from ESTHER HELDT to RICHARD HELDT, as Trustee under Trust Agreement dated June 11, 1996, known as Trust Number M96-247 and recorded as Document No. 96047112, in the Recorder's Office, Lake County, Indiana, and in Deed dated May 30, 1996, from LESTER HELDT to RICHARD HELDT, as Trustee under Trust Agreement dated May 30, 1996, known as Trust Number F96-248 and recorded as Document No. 96047110 in the Recorder's Office, Lake County, Indiana except for property conveyed by the Trustee after June 11, 1996 and prior to the date of this instrument and disclosed by deeds of record.

By Affidavit dated February 4, 1998, and recorded as Document No. 98011226, in the Recorder's Office, Lake County, Indiana, LEON HELDT is designated as the Successor Trustee to RICHARD HELDT (now deceased), of above referenced Trust Number M96-247, according to Document No. 96047112, and of above referenced Trust Number F96-248, according to Document Number 96-47110.

Also conveying a temporary construction easement sixty feet in width (60') adjacent and parallel to the above described permanent easement, except at road crossings, tile crossings or areas with unusual construction requirements where additional temporary work space may be utilized.

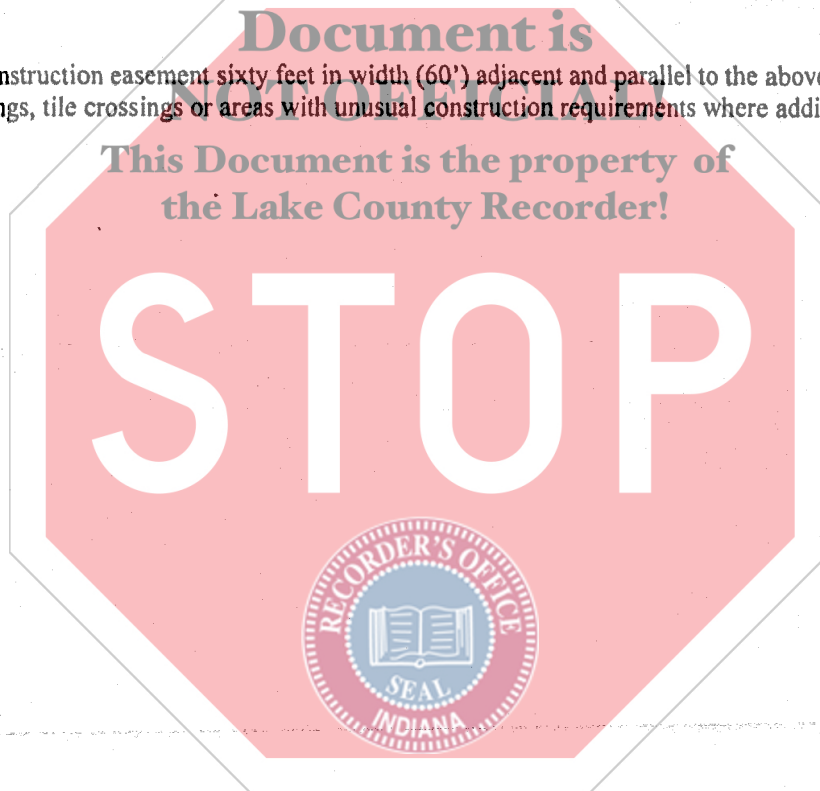


EXHIBIT B

SKETCH OF PROPOSED ROUTE

SECTION 6 TWP 34N RANGE 9W



Existing Pipeline	-----
Proposed Vector Pipeline	=====

RIDER "A"

**ATTACHED TO AND MADE A PART OF AN EASEMENT AGREEMENT BETWEEN LEON HELDT AS
SUCCESSOR TRUSTEE UNDER TRUST #M96-247 AND TRUST F96-248 AND VECTOR PIPELINE L.P.,
A DELAWARE LIMITED PARTNERSHIP**

In consideration of the agreement to which this Rider is attached the parties agree as follows and agree further that the provisions of this Rider shall supersede any inconsistent provisions of the agreement to which it is attached:

1. For the purpose of this Rider the temporary construction easement is referred to as the "Temporary Work Space Easement" and the permanent easement is referred to as the "Permanent Easement".
2. On completion of the initial construction of the pipeline and thereafter on completion of any maintenance, replacement, repair or removal of the pipeline, the Grantee covenants and agrees, at its own expense and at no expense to the Grantor (a) to repair and replace in good and workmanlike manner all fences which may be damaged; (b) to replace or repair in a good and workmanlike manner any roadway crossings, driveways, sidewalks and wire conduits, pipe, main or other transmission apparatus now or hereafter existing on or under the Permanent Easement or temporary work space easement; (c) to renew and replace in good and workmanlike manner as nearly as practical to the same condition as existed prior to the commencement thereof, all natural surface drainage, natural or artificial waterways or water courses and not to unreasonably interfere with such drainage during the course thereof; (d) to replace to below plow depth all rock uncovered (of a diameter of more than 4 inches) and all rock that cannot be so replaced shall be removed from the Grantor's Property by the Grantee; (e) the top one foot of the top soil over the area of an excavation and over the temporary work space easement shall be removed, set aside, and segregated prior to any excavation so that the top soil may be replaced on top of the pipeline trench excavation and the location of any surface areas of the permanent easement and temporary work space easement; (f) no permanent structures above the surface of the ground shall be constructed except for vented pipes or markers related to the pipeline may be located on the existing boundary lines of the property; (g) the top of the pipeline shall be buried to a depth of at least three feet; (h) wherever top soil is covered or disturbed to restore, as nearly as practical, the top soil to the depth, type of soil and contour as existed before any such maintenance, replacement, repair or removal; (i) not to negligently or intentionally allow the escape on the Grantor's Property and on to the Easement Property of any toxic substance or any other substance for which removal would be required by any applicable law or ordinance.
3. In connection with such installation, removal or repair the Grantee further covenants and agrees to locate any and all existing farm drainage tiles in the Permanent Easement and shall be responsible for repairing, replacing and reconnecting any such tiles as may be displaced, broken, or otherwise disturbed by the Grantee with tiles of the same inside diameter and of at least the same quality. In the event such tile lines subside within a period of three (3) years after the completion of any work by the Grantee, the Grantee shall be responsible for and shall correct any such subsidence at its own cost.
4. The Grantee will pay for any damages to the Grantors or the Grantor's tenant's growing crops, grasses, livestock, fences, roadways, farm lanes and drainage ditches caused by the construction of the above pipeline and will pay to the Grantor or the tenant of the Grantor, as the case may be, for a period of three (3) years after

construction of pipeline, the difference in crop yield between that portion of the soil disturbed by the Grantee and the adjoining crops of the Grantor or tenant growing on land not used by the Grantee.

5. The Grantee shall indemnify and hold harmless the Grantor from any and all claims arising out of the Grantee's construction, operation, maintenance or replacement of said pipeline across the Permanent Easement.

6. The Grantor shall have the right to continue to use the surface of the Permanent Easement for all uses which do not unreasonably interfere with the enjoyment of the rights and easements herein granted. In the event the Grantor wishes to construct residences or other buildings which would require the construction of utility lines and roads to service the Grantor's remaining property, or any adjoining property, the Grantee will cooperate in allowing such use of the Permanent Easement provided the construction and maintenance of such roads and utility lines is done in a manner which does not unreasonably interfere with the operation of the Grantee's pipeline.

7. No later than six (6) months after the date of completion of the pipeline the Grantee will, at the Grantee's expense, furnish the Grantor with a survey, by a registered surveyor, showing the northerly and southerly boundary lines of the Permanent Easement and the approximate location of pipeline within the boundaries of the Permanent Easement showing also the legal description of the Permanent Easement. The parties will then enter into an amendatory agreement stating the exact legal description of the property which is to be subject to the Permanent Easement.

PARTNER

LB

/s/ LEON HELDT

LEON HELDT, as Successor Trustee under
Trust F96-248 and as Successor Trustee under
Trust M96-247

VECTOR PIPELINE L.P.
BY VECTOR PIPELINE, INC. AS GENERAL

BY:

NAME:

TITLE:

[Signature]

VINCE DIAMANO

ATTN - IN-FACT

