

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

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

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

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MORRIS W. CARTER
RECORDER

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

FILED

JUN 16 1998

SAM ORLICH

FOR RECORDER'S USE ONLY

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, Marlin Painter, whose mailing address is 876 JORDAN CIRCLE, SEHERERVILLE, IN 46375 (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 a 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 a telecommunications system within the Right-of-Way. The Grantor further grants the Grantee the right of 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, together with the right to use such of Grantor's lands immediately adjacent to each side of the Right-of-Way as is reasonably required during 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.

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 and upon receipt of any necessary governmental approvals, 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.

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(5 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.

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.

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.

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:

Marlin G. Painter
MARLIN PAINTER

Document is
NOT OFFICIAL!

GRANTEE:

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

BY: Vince Pizzano

NAME: VINCE PIZZANO

TITLE: ATTY-IN-FACT

EIGHTH: GRANTOR RESERVES THE RIGHT TO CONSTRUCT STREETS, SIDEWALKS AND UTILITIES ACROSS, BUT NOT ALONG THE RIGHT-OF-WAY. GRANTOR MUST NOTIFY GRANTEE, IN WRITING AT LEAST THIRTY (30) DAYS IN ADVANCE OF ANY SUCH CONSTRUCTION, SAID ADVANCE WRITTEN NOTICE SHALL INCLUDE ENGINEERING PLANS FOR SUCH CONSTRUCTION, GRANTEE RESERVES THE RIGHT TO REVIEW SAID ENGINEERING PLANS AND REQUEST ANY MODIFICATIONS TO THEM THAT IS IN ACCORDANCE WITH THE THEN CURRENT INDUSTRY ACCEPTABLE, ENGINEERING STANDARDS NECESSARY TO PROTECT THE INTEGRITY OF THE PIPELINE FACILITIES. GRANTEE'S REVIEW OF SAID ENGINEERING PLANS SHALL BE COMPLETED IN A TIMELY MANNER AND GRANTEE'S APPROVAL FOR SUCH CONSTRUCTION SHALL NOT BE UNREASONABLY WITHHELD.

GP OMP

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF INDIANA)
) ss.:
COUNTY OF LAKE)

On this the 8th day of JUNE 1998, personally appeared before me _____

MARLIN G. PAINTER

signer(s) of the foregoing instrument, and acknowledged the same to be his/her/their free act and deed.

Gwen M. Brown

Notary Public
My Commission Expires:

Document is
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This Document is the proper
the Lake County Recorder

Notary Public
State of Indiana
GWEN M BROWN
My Appointment Expires Feb. 23, 2008



CORPORATE ACKNOWLEDGEMENT

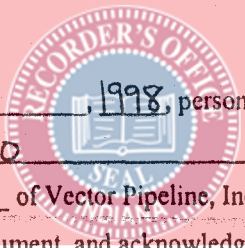
STATE OF Illinois)
) ss.:
COUNTY OF Will)

On this the 8th day of June, 1998, personally appeared before me _____

Vince Pizarro

acting in his 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 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 a part of the East Half (E/2) of Section 35, Township 35 North, Range 9 West of the Second Principal Meridian, Lake County, Indiana. The Right-of-Way and easement shall be located substantially as shown on Exhibit "B", a copy of which is attached hereto, with exact description to be determined by As-built Survey.

Said property more particularly described as Parcel 2 and Parcel 4 in that certain Trustee's Deed, dated February 13, 1995, from Lake County Trust Company, as Trustee under Trust dated June 29, 1990, and known as Trust No. 4084, to Marlin Painter, and recorded as Document No. 95008582, in the Recorders Office, Lake County, Indiana.

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 35

TWP 35N

RANGE 9W



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