r* '', ... R/W No.: 5 02-02-047

RIGHT-OF-WAY AND EASEMENT GRANT

Prepared by:
Paul Norgren
Vector Pipeline L.P.
21 West Superior Street
Duluth, Minnesota 55802-2067

Return to: Vector Pipeline L.P. 3033 W. Jefferson St., Suite 204 Joliet, IL 60435

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STATE OF INDIANA LAKE COUNTY FILED FOR RECORD

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MORRIS W. CANTER RECORDER

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KNOW ALL MEN BY THESE PRESENTS: That the undersigned, Thomas O. Malsch and Cheryl M. Malsch, husband and wife, whose mailing address is 9209 West 93rd Ave., St. John, IN 46373, (hereinafter called "Grantor"), whether one or more, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Grantor, does hereby grant, convey, and warrant 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 conduct the following specific activities set forth in this agreement, including: construct, operate, maintain, clear, inspect and repair one pipeline, together with valves, fittings, protective apparatus, a pipeline communications system and such other equipment and appurtenances necessary in connection therewith for the effective, efficient, and safe transportation of natural gas and associated hydrocarbon by-products, and derivatives thereof, through a pipeline on, over, under and across the following specific areas: the strips of land specifically described in Exhibit A of this Right-of-Way and Easement Grant, as "Permanent Easement and Right-of-Way" and "Temporary Workspace," which Exhibit A is attached hereto and incorporated herein by reference. The strips of land are hereinafter referred to as 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 necessary and incidental to the exercise by the Grantee of the specific activities authorized herein.

The aforesaid specific activities in and on the Right-of-Way are granted as and from the date hereof, and shall be 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 Grantor is the lawful fee simple owner of the Right-of-Way, and that Grantor has the right and authority to make this grant, and that Grantor will forever warrant and defend the title thereto against all claims whatsoever.

SECOND: Subject to the provisions hereof, the strip of land described in Exhibit "A" as "Permanent Easement And Right-of-Way" shall be an immediately effective, permanent and perpetual conveyance of a Right-of-Way and Easement upon and subject to the terms and provisions of this agreement.

THIRD: Subject to the provisions hereof, the strip of land described in Exhibit "A" as "Temporary Workspace" constitutes a temporary easement and right of way which shall expire in effectiveness upon the earlier of (i) the date the pipeline has been constructed and all necessary clean-up, site leveling and construction site work has been completed, and (ii) October 1, 2002.

FOURTH: No sale, conveyance, transfer or assignment, in whole or in part, of the Grantor's interest in the lands subject to the Right-of-Way shall be binding on Grantee until 30 days after Grantee has received written notice of such change and has been furnished with a true copy of the deed or other written instrument of transfer.

FIFTH: Any and all payments, notices or communications provided for herein may be served and shall be sufficient when served by depositing the same in the United States Post Office with postage fully prepaid, by certified mail, return receipt requested, addressed to Grantor at 9209 West 93rd Ave., St. John, 1N 46373 or at such other address as may be specified in writing by Grantor or Grantor's successors or assigns, from time to time, consistent with paragraph FOURTH of this agreement.

SIXTH: 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

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improvements which may arise from the exercise of the rights herein granted. Grantee shall have the right to clear all trees, undergrowth, and other obstructions from the Right-of-Way and after said pipeline has been installed, Grantee shall not be liable for damages caused on the Permanent Easement and Right-of-Way by keeping it clear of such trees, undergrowth and other obstructions, in the exercise of Grantee's rights herein granted.

SEVENTH: With respect to the Permanent Right-of-Way and Easement, the Grantor shall not at any time excavate, drill, install, erect or permit to be excavated, drilled, installed or erected on, over, under or across the said Permanent Right-of-Way and Easement any pit, well, foundation, pavement, road or other structure or installation without Grantee's prior written permission. Likewise, Grantor shall take no such actions in the Temporary Workspace until subsequent to the date determined consistent with paragraph THIRD hereof. Otherwise the Grantor shall have the right fully to use and enjoy said Right-of-Way 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 Permanent Right-of-Way and Easement without the express, prior written consent of the Grantee.

EIGHTH: 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.

NINTH: The Grantee shall have the right to assign and mortgage its rights under this agreement in whole or part as to all or any portion of the rights accruing hereunder, subject always to the terms hereof.

TENTH: Grantee agrees there will be no gauges, valves, above-ground appurtenances or facilities placed on the Right-of-Way, except markers or vent pipes as required at fence lines, property lines and roads, unless specifically pre-approved in writing by Grantor.

ELEVENTH: This agreement, including all the covenants and conditions herein contained, shall 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.

Multiple Grantors and Grantees may execute separate original counterparts of this agreement and such execution shall have the same effect as if each signatory executed the same counterpart. All counterparts shall be construed together and shall constitute one agreement.

IN WITNESS WHEREOF, the Grantor has executed this document this

10th day of December, 1999

GRANTOR:

GRANTEE:

THOMAS O MALSCH

VECTOR PIPELINE L.P.

BY VECTOR PIPELINE, INC. AS GENERAL PARTNER

NAME.

La Rosmusa.

CHERYL M MALSCH

Authorized Agent

INDIVIDUAL ACKNOWLEDGEMENT

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R/W NO. 02-02-047

VECTOR PIPELINE UEI JOB NO. 3179 TRACT NO. 02-02-047 LAKE COUNTY, INDIANA

DESCRIPTION OF A FIFTY (50) FEET WIDE PERMANENT EASEMENT AND RIGHT OF WAY

DESCRIPTION OF A FIFTY (50) FEET WIDE PERMANENT EASEMENT AND RIGHT OF WAY, LOCATED IN SECTION 35, TOWNSHIP 35 NORTH, RANGE 9 WEST, LAKE COUNTY, INDIANA AND BEING UPON, OVER, THROUGH AND ACROSS A PORTION OF THAT CERTAIN TRACT OF LAND CONVEYED TO THOMAS O. MALSCH, ET UX, AS DESCRIBED BY INSTRUMENT RECORDED UNDER DOCUMENT NO. 133828 OF THE OFFICE OF THE RECORDER OF DEEDS OF LAKE COUNTY, INDIANA, SAID FIFTY (50) FEET WIDE PERMANENT EASEMENT AND RIGHT OF WAY BEING SITUATED 35 FEET NORTHERLY OF AND 15 FEET SOUTHERLY OF THE HEREIN DESCRIBED BASELINE, SAID BASELINE BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING at a 3/8 inch iron rod found marking the southwest corner of said Section 35;

THENCE South 89° 19' 52" East, along the south line of said Section 35, a distance of 1330 feet to a point;

THENCE North 00° 36' 04" East, a distance of 1382 feet to a point 100 feet southerly of, at right angles to, the southern most of two (2) existing ANR pipelines and being the POINT OF BEGINNING of the herein described baseline;

THENCE North 71° 36' 38" East, along a line 100 feet southerly of, perpendicular to and parallel with the said existing pipeline, a distance of 1374 feet to a point in the east line of the above referenced tract and being the POINT OF TERMINATION of the herein described baseline, from which the northeast corner of the above referenced tract bears, North 00° 20' 57" West, a distance of 804 feet, said baseline having a total length of 1374 feet or 83.3 rods, said permanent easement containing a total of 1.6 acres, more or less.

TEMPORARY WORK SPACE

Revised 11/8/99

Being a fifty (50) feet wide strip of land, parallel with and adjacent to the south side of the above described fifty (50) feet wide permanent easement and right of way, and a ten (10) feet wide strip of land adjacent to and parallel with the north side of the said permanent easement and right of way, extending or shortening, the side lines of the temporary easement, at the beginning and termination of the said permanent easement lines, to intersect with the above referenced property's lines, and/or the east right of way line of Blaine Street and containing 1.9 acres, more or less.

ADDITIONAL TEMPORARY WORK SPACE

Being a fifty (50) feet wide strip of land, parallel with and adjacent to the southerly side of the above described fifty (50) feet wide Temporary Work Space, extending 125 feet in an easterly direction, from the easterly right of way line of the said Blaine Street and containing 0.1 acre, more or less.

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