

R/W No.: 02-02-169.005

RIGHT-OF-WAY AND EASEMENT GRANT

Prepared by:

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

Return to:

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

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

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MORRIS W. CARTER
RECORDER

FOR RECORDER'S USE ONLY

Document is

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, William Vargo and Cindy Vargo, a/k/a Cynthia Vargo, husband and wife, whose mailing address is 7679 92nd Court, Hobart, IN 46342, (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 ADDRESS ABOVE 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.

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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 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: 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 2-2 day of 2000

GRANTOR:

William Vargo
WILLIAM VARGO

Cindy Vargo
CINDY VARGO, A/K/A CYNTHIA VARGO

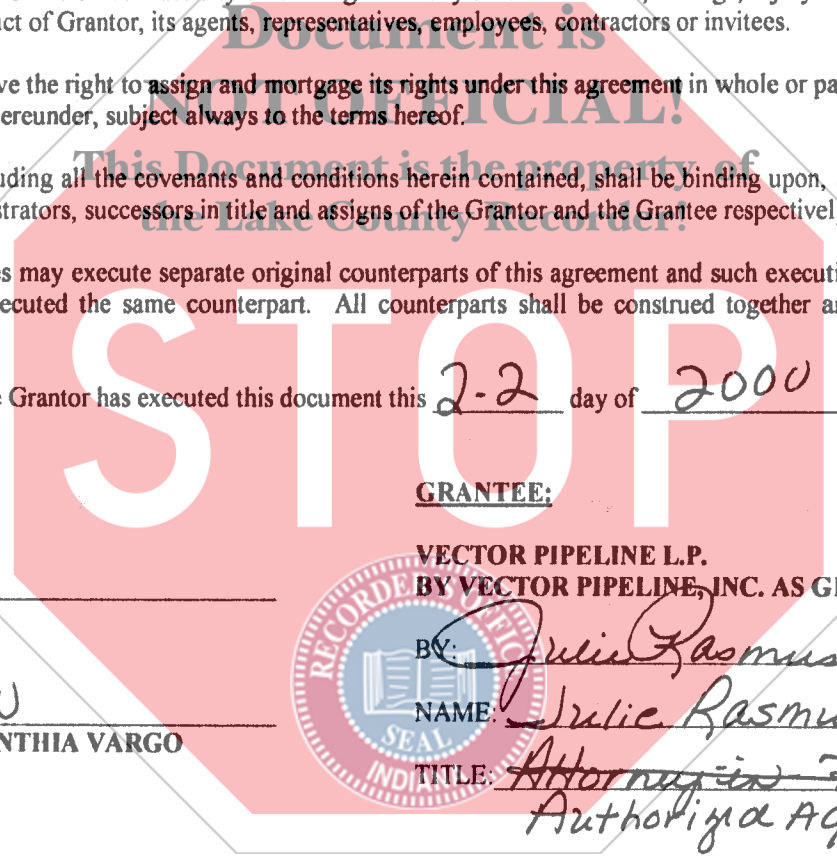
GRANTEE:

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

BY: Julie Rasmussen

NAME: Julie Rasmussen

TITLE: Attorney in Fact & Authorized Agent



INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Indiana)
COUNTY OF LAKE) ss.:

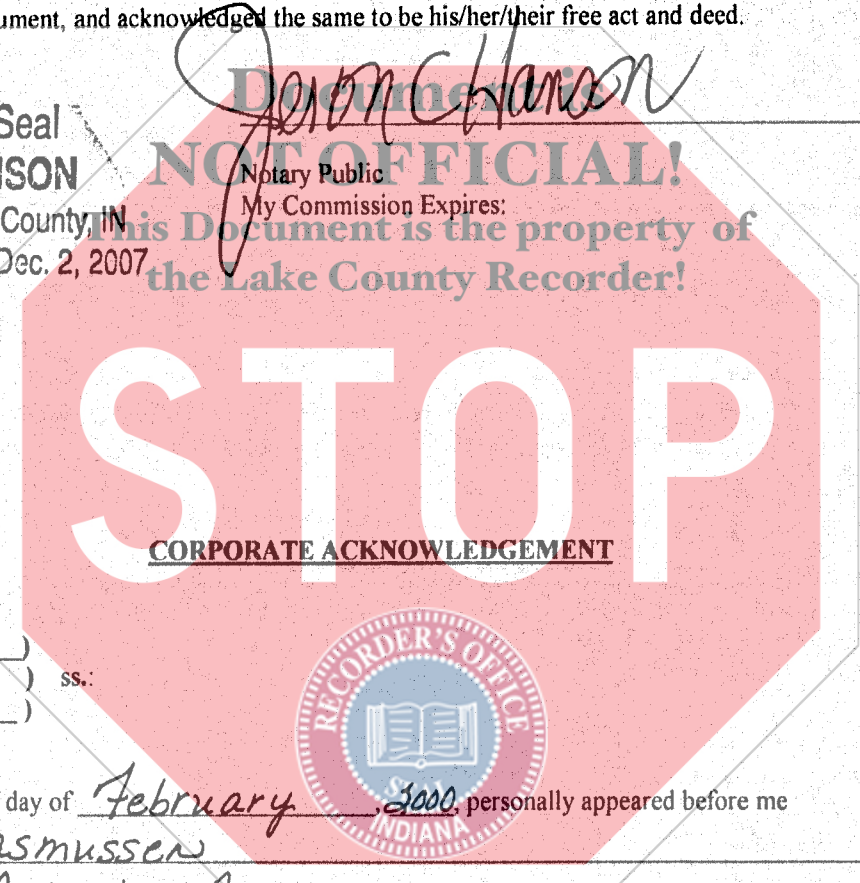
On this the 2nd day of February 2000, personally appeared before me William Vargo AND Cindy Vargo A/K/A Cynthia Vargo Husband + WIFE

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

Notary Public Seal
JERON C. HANSON

Notary Public for Porter County, IN
My Commission Expires: Dec. 2, 2007

Jeron C. Hanson
Notary Public
My Commission Expires:
NOT OFFICIAL!
This Document is the property of
the Lake County Recorder!



STATE OF Illinois)
COUNTY OF Will) ss.:

On this the 13th day of February, 2000, personally appeared before me Julie Rasmussen
acting in ~~his~~/her capacity as Authorized Agent 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 Authorized Agent of such General Partner and the free act and deed of said partnership.

Larry Edwards

Notary Public
My Commission Expires:

"OFFICIAL SEAL"
LARRY EDWARDS
Notary Public, State of Illinois
My Commission Expires 06/10/03

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EXHIBIT A

VECTOR PIPELINE
UEI JOB NO. 3179
TRACT NO. 02-02-169.005
LAKE COUNTY, INDIANA

**DESCRIPTION OF A
PERMANENT EASEMENT AND RIGHT OF WAY**

DESCRIPTION OF A PERMANENT EASEMENT AND RIGHT OF WAY, LOCATED IN SECTION 17, TOWNSHIP 35 NORTH, RANGE 7 WEST, LAKE COUNTY, INDIANA AND BEING UPON, OVER, THROUGH AND ACROSS A PORTION OF THAT CERTAIN TRACT OF LAND CONVEYED TO WILLIAM VARGO, ET SUX, AS DESCRIBED BY INSTRUMENT RECORDED UNDER DOCUMENT NO. 97040296 OF THE OFFICE OF THE RECORDER OF DEEDS OF LAKE COUNTY, INDIANA, SAID PERMANENT EASEMENT AND RIGHT OF WAY BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a 1-inch iron pipe found marking the southeast corner of the above referenced tract;

THENCE westerly along the southerly line of said tract, the same also being the northerly right of way line of the Grand Trunk Western Railroad, a distance of 10 feet;

THENCE northeasterly a distance of 12 feet to the easterly line of said tract;

THENCE southeasterly along the easterly line of said tract, a distance of 11 feet to a 1-inch iron pipe found marking the southeast corner of said tract and being the **Point of Beginning**, said permanent easement containing 0.001 acre, more or less.

TEMPORARY WORK SPACE

Being a ten (10) feet wide strip of land, parallel with and adjacent to the northerly side of the said permanent easement and right of way, extending 11 feet westerly along the southerly line of said tract, thence northeasterly, a distance of 25 feet to the easterly line of the said tract, thence southeasterly, a distance of 13 feet the northerly line of the said permanent easement and right of way line, thence southwesterly along the said northerly permanent easement line, a distance of 12 feet to the **Point of Beginning**, extending or shortening the side lines of the temporary easement, at the beginning and termination of the said permanent easement line, to intersect with the above referenced property's lines and or the northerly right of way line of said Grand Trunk Western Railroad and containing 0.004 acre, more or less.

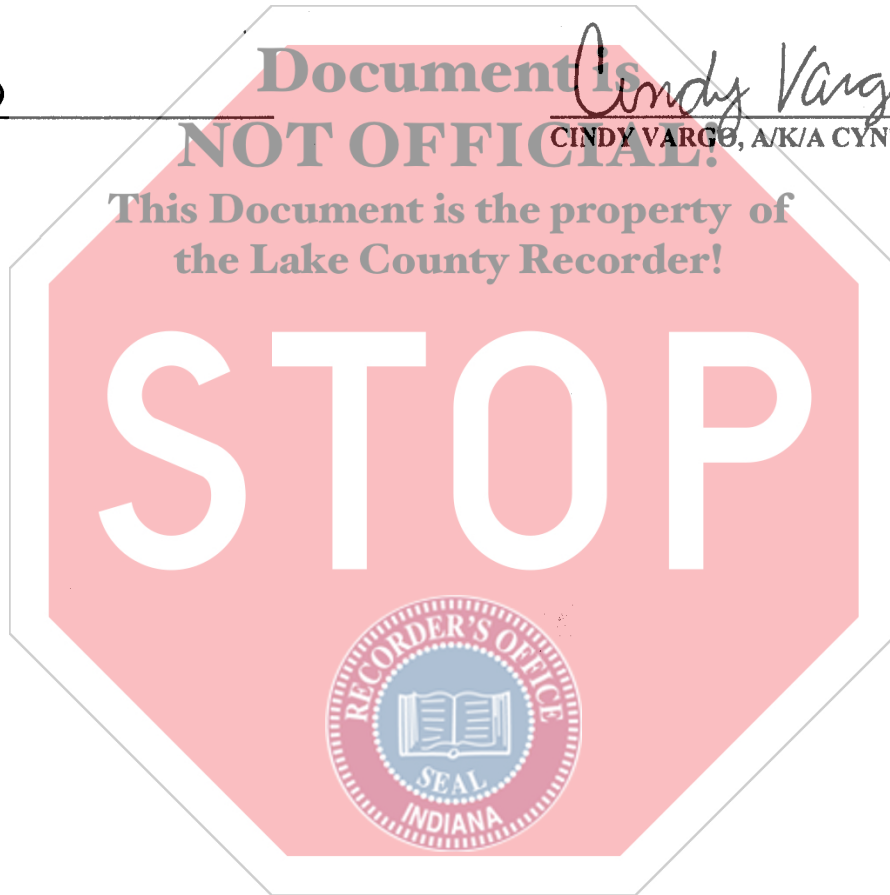
SA3179\SURVEY\DESC\INDIANAIN-5369.WPD

EXHIBIT A

Attached To and Made a Part Of That Certain Right-of-Way and Easement Grant
Executed By William Vargo and Cindy Vargo, a/k/a Cynthia Vargo, husband and wife In Favor of Vector Pipeline, L.P. and
Dated FEBRUARY 2, 2000

William Vargo
WILLIAM VARGO

Cindy Vargo
CINDY VARGO, A/K/A CYNTHIA VARGO



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