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State of Indiana ) Tax ID Nos. ) ss: 45-03-100-002.000-024 County of Lake ) 45-03-20-300-004.000-024

2014 License Agreement between Grantor East Chicago Waterway Management District and Grantee Explorer Pipeline Company for a 14-Inch Underground Petroleum Delivery Line on Grantor's Property

- 1. In consideration of the sum of One Hundred and Eighty Thousand and 00/100 (\$180,000.00) Dollars, receipt of which is hereby acknowledged by GRANTOR East Chicago (Indiana) Waterway Management District (District), the District gives to GRANTEE Explorer Pipeline Company (Explorer), a Delaware Corporation, a revocable right, license and permission for a twenty-year term, renewable upon written agreement of the parties hereto. The term for this license shall commence on July 11, 2013 (the "Effective Date") and continue for twenty (20) years until July 11, 2033. Payment shall be made no later than October 31, 2014.
- 2. Explorer and the District entered into a five-year license agreement dated July 11, 2008. Under the terms of that agreement, Explorer was granted permission to construct, operate, replace, and maintain a 14-inch petroleum pipeline on property owned and controlled by the District. Construction of the pipeline is now complete, and the Parties are desirous of extending the term of the license agreement.
- the Lake County Recorder!

  3. The property owned and controlled by the District is more specifically described as follows: the centerline is described below, to and across tracts of land owned by the District located in Section 20, Township 37 North, Range 9 West, in Lake County, State of Indiana, said tracts being those parcels of land identified as Parcel #3 and Parcel #5 of properties conveyed in Deed 199023310 as recorded in the Lake County Deed of Records, as follows:

## Parcel 3

Commencing at the southwest corner of said Section 20; thence N 89° 07′ 21″ E along the south line of said Section 20 a distance of 159.64 feet to a point, thence North a distance of 305.16 feet to the Point of Beginning.

From Point of Beginning, proceed N 89° 52' 00" W a distance of 126.44 feet to a point, thence N 00° 07' 54" W 999.60 feet to a termination point on the north property line of said "Tract," said point being N 00° 15' 27" E 1307.52 feet along the west line of said Section 20 from said southwest corner, and thence East 29.66 feet to a point, said point being on a curve which is the northern property line of Parcel 3 and point of termination of the Parcel 3 portion of this description;

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## (Exclusion)

Continuing outside Parcel 3 through property of others, N 00° 08' 54" E 186.26 feet to a point, said point being on a curve which is the south line for Parcel 5, and said point being the Point of Beginning for the Parcel 5 portion of this description; thence:

## Parcel 5

From Point of Beginning, proceed N 00° 07′ 54″ E a distance of 3756.35 feet to a point; thence West a distance of 21.22 feet to a point on the west property line of said "Tract", same being the west line of Section 20 and the termination of the said centerline, with said termination point being S 00° 15′ 27″ W a distance of 35.68 feet along the west line from the northwest corner of said section 20.

The length of the said centerline on Parcel 3 totals 1126.04 feet. The length of the said centerline on Parcel 5 totals 3777.57 feet.

The combined total length of centerline on Parcels 3 and 5 is 4903.61 feet.

- 4. Any change to the pipeline shall be in accordance with plans and project description diagrams which will be provided to and approved by the District prior to commencement of any such change.
- 5. Explorer agrees that specifications, modifications, operation, and maintenance of this pipeline shall be in accordance with all regulations, rules, and orders of the U.S. Department of Transportation (USDOT) acting through the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the Office of Pipeline Safety (OPS), and all applicable federal and state laws relating to pipelines, including, but not limited to all environmental and safety rules and regulations. Explorer agrees that all required federal, state and local permits will be obtained and maintained for as long as the pipeline is in use by Explorer.
- 6. Explorer agrees to operate and maintain said pipeline in such manner as not to interfere with any drainage, sewer, water pipes or other city service, or public utility which is now located on said property, or interfere with any other easement, license or permission heretofore granted to a private entity by the District or the City on said property.
- 7. The District retains all rights to use the above-described land except as such use may unreasonably interfere with the operation and maintenance of the pipeline. The District shall retain the right to cross the easement area with roadways, trails, wire lines, pipelines, and any other occupations that might be required on the surface, above the surface or under the surface of the rights granted herein, together with the right to grant separate easements or licenses to others for such purposes herein so long as said easements or

licenses are not inconsistent with Grantee's full enjoyment of the rights herein granted.

- 8. The District agrees that it will not permit any buildings or structures, within ten (10) feet of the pipeline and will not permit the permanent impoundment of water above the pipeline, other than the existing waterway, i.e., the Lake George Canal. Should the District authorize another pipeline or utility in the same corridor as that occupied by Explorer, the construction standards and the minimum distance from Explorer's pipeline will be that in accordance with industry best practices, as currently published by the American Petroleum Institute (API).
- 9. The District agrees that it will follow a "First in time, first in right" policy. That is, if the District offers permission to another and Explorer's pipeline must be relocated, then the other user (later in time) must pay Explorer's full cost of pipeline relocation. The District further agrees that it will use its best efforts to avoid the relocation of Explorer's pipeline. However, should relocation be necessary, the District will offer an alternate land location at no additional cost.
- 10. The District recognizes that, from time to time, Explorer will need to cut and remove trees, undergrowth, and other obstructions directly along the right of way, at their expense, in accordance with established, industry-wide best practices and federal and state requirements. Explorer will be liable for damages for keeping the right of way clear of obstructions.
- the Lake County Recorder!

  11. Access to the right of way will be confined to a practical distance from the centerline of the pipeline. Should alternate access be necessary, Explorer shall first consult with the District.
- 12. Upon the end of the twenty-year term, the District will reassess its fee for occupancy, insurance limit amounts, and any other term of this agreement, without the requirement for consultation with Explorer. If and when Explorer determines to remove or abandon their pipeline and other property or product, they shall give the District a minimum of sixty (60) days written notice. No removal or abandonment shall be initiated without the prior approval of the District; removal or abandonment shall be completed according to industry standards and applicable laws and regulations; and upon completion of removal or abandonment the District's property shall be restored to a condition satisfactory to the District.
- 13. This agreement shall be binding upon the successors and assigns of the District and Explorer. The permission granted herein may be leased or assigned, together or separately, in whole or in part, with written permission of the District, and such permission will not be unreasonably withheld.

- 14. This permission can be revoked by the District for good cause with two hundred seventy (270) days notice given in writing by certified mail to Explorer.
- 15. During the term of this agreement, Explorer will provide to the District proof of insurance naming the District, its Board and Executive Director as named insureds in the amounts stated below. Maintenance of this insurance amount is mandatory and a condition of the continued validity of this license. A copy of the Certificate of Insurance ([Policy number]) is attached to and made part of this document.

\$2,000,000.00 General Liability \$2,000,000.00 Automobile Liability

\$10,000,000.00 Excess Liability, Umbrella form

\$2,000,000.00 Workers Compensation and Employers' Liability

- 16. Explorer shall be responsible for all damages resulting from negligence or want of proper care during maintenance, operation, or repair work upon said pipeline, and shall be responsible to any person suffering from any damage caused by negligent maintenance or operation of said pipeline, or valves and fittings connected therewith, and hereby agrees to indemnify and save harmless the District, its Board and Executive Director, from any and all loss and damage which may arise from the negligent construction, installation, maintenance or operation of said pipeline or valves and fittings connected therewith, and in case any suit or suits are brought against the District, its Board, or Executive Director on account of the construction and maintenance thereof, then Explorer shall save and hold harmless the District, Board and Executive Director from all damages, costs, and expenses which they may be compelled to pay as the result of any negligence of Explorer or its contractors in the construction, installation, maintenance or operation of said pipeline or valves and fittings connected therewith, as hereby authorized and permitted; provided, however, that the District shall promptly notify, in writing, Explorer of any suit brought against the District, its Board or Executive Director, in which event Explorer shall have the right to be represented in the defense thereof by counsel of its own selection and at its own expense.
- 17. Should any claim adverse to the title of the subject property herein be asserted and/or proved, no recourse shall be had against the District, its Board or Executive Director.
- 18. Explorer shall cause this Agreement to be recorded with the Recorder of Lake County, Indiana, at Explorer's expense.
- 19. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart, when so

- executed, shall be deemed to be an original and all of which together shall constitute one and the same agreement.
- 20. Nothing in this Agreement shall supersede the provisions in any existing easement which has been properly recorded and which controls access to the property.

IN WITNESS WHEREOF, parties hereto have executed this agreement on the dates shown.



License Agreement between Grantor East Chicago Waterway Management District and Grantee Explorer Pipeline Company for a 14-Inch Underground Petroleum Delivery Line on Grantor's Property

John Fekete, President

ATTEST:

Bernando M. Treviño, Executive Director

Date

EXELORER PIPELINE COMPANY

Document is the property of Approved as to Form

William J. Sanders