

RIGHT OF WAY CONTRACT

W.O. No. 21

For and in consideration of the sum of Ten (\$10.00) Dollars cash, the receipt of which is hereby acknowledged, and in addition thereto, an aggregate sum equal to One (\$1.00) Dollar per lineal rod of pipeline constructed under the terms

hereof, to be paid at the time and in the manner hereinafter set forth.

Lee Grimes, a single man,

whose address is R. 1 or 26, Bend, Oregon

hereinafter referred to as Grantors, (whether one or more), do hereby grant and convey unto CASCADE NATURAL GAS CORPORATION, its successors and assigns, hereinafter referred to as Grantee, the right to select the route for and construct, maintain, inspect, operate, protect, repair, replace, after and remove a pipeline or pipelines for the transportation of oil, gas and the products thereof, on, over and through the following described lands, of which Grantors warrant that they are the owners in fee simple, situated in the County of

Deschutes : State of Oregon : forwif:

All that portion of Tract 11 Reed Highway Easement, Section 2, Bend, Deschutes County, Oregon, lying and being East of the present location of what is known as The Dallas-California Highway.

Section Township Range together with the right of ingress and egress to and from said line or lines, or any of them, for the purposes aforesaid; hereby releasing and waiving, as to Grantee, all rights under and by virtue of the homestead exemption law of said state.

Grantee agrees that after it has completed its survey of the route for its pipeline and has established the route thereof and before pipeline construction is commenced, it will pay Grantors, in proportion to Grantors' respective interests, a total sum equivalent to One (\$1.00) Dollar per lineal rod of pipeline so surveyed and established.

Grantors shall have the right to use and enjoy the above described premises, except as to the rights herein granted; and Grantors agree not to build, create or permit to be built, created or constructed any obstruction, building, engineering works, or other structures over or that would interfere with said pipeline or Grantor's rights hereunder. Grantee hereby agrees to pay any damages which may arise from the laying out, construction, maintenance, use or operation of said pipeline from the exercise of the rights herein granted; said damages, if not mutually agreed upon, shall be ascertained and determined by three disinterested persons, one to be appointed by the undersigned Grantors, their successors, heirs or assigns, one to be appointed by the Grantee, its successors or assigns, and the third by the two so appointed, and the written award of such three persons shall be final and conclusive.

Should more than one pipeline be laid under this grant, at any time, an additional consideration, calculated on the same basis per lineal rod as specified above, shall be paid for each such line laid.

It is agreed that the obligation of Grantee to make any payment hereunder shall be satisfied by delivery of such payment to any of the Grantors for the benefit of all Grantors.

Any pipeline constructed by Grantee across lands under cultivation shall, at the time of construction thereof, be buried to such depth as will not interfere with such cultivation.

The Grantee shall have the right to assign this grant in whole or in part including, without limitation, the right of assignment under any presently outstanding or future mortgage or mortgages given to secure any bonds or other bona fide indebtedness of the Grantee.

It is agreed that this grant covers all the agreements between the parties hereto and that no representations or statements, verbal or written, have been made, modifying or adding to or changing the terms of this agreement.

The terms, conditions and provisions of this contract shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.

TO HAVE AND TO HOLD said right-of-way and easement unto said Grantee, its successors and assigns until such first pipeline be constructed and as long thereafter as a pipeline is maintained thereon.

IN WITNESS whereof the Grantors have hereunto set their hands and seals this 27th day of June, 1966

WITNESSES

Witness lines with seals

SINGLE ACKNOWLEDGMENT

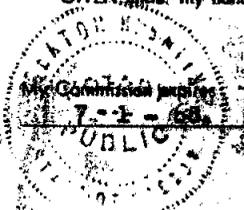
NOTARY PUBLIC
No. 149 Nov 1982

STATE OF Oregon
COUNTY OF Deschutes

On this day personally appeared before me, Law Wilson

known to me to be the person described in and who executed the within and foregoing instrument and duly acknowledged to me that he executed and signed the same as free and voluntary act and deed, for the uses and purposes therein expressed.

GIVEN under my hand and official seal this 22nd day of July 1982



Law Wilson
Notary Public in and for the State of
Oregon residing
620 S. Broadway

JOINT ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____

On this day personally appeared before me _____

and _____ known to me to be the persons described in and who executed the within and foregoing instrument, and duly acknowledged to me that they executed and signed the same as their free and voluntary act and deed, for the uses and purposes therein expressed.

GIVEN under my hand and official seal this _____ day of _____ 19____

Notary Public in and for the State of _____

My Commission expires _____ 19____

residing _____

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RIGHT OF WAY CONTRACT

FROM

TO

CASCADE NATURAL GAS CORPORATION

STATE OF Oregon
COUNTY OF Deschutes

I hereby certify that the within instrument was filed for record on the 22nd day of July 1982 at 11:52 o'clock A.M. and was duly recorded in Volume 144 of 25 and contains 482 and contains

Alan M. Drury
by _____

JOINT ACKNOWLEDGMENT

STATE OF _____
COUNTY OF _____

On this day personally appeared before me _____

and _____ known to me to be the persons described in and who executed the within and foregoing instrument, and duly acknowledged to me that they executed and signed the same as their free and voluntary act and deed, for the uses and purposes therein expressed.

GIVEN under my hand and official seal this _____ day of _____ 19____

My Commission expires _____ 19____

residing _____