

RIGHT-OF-WAY AND EASEMENT GRANT

RW NO: FP-08-052

State: Illinois

Prepared By:

Douglas B. Aller
119 North 25th Street East
Superior, Wisconsin 54880

Return To:

Enbridge Pipelines (Illinois) L.L.C.
Right-of-Way Department
119 North 25th Street East
Superior, Wisconsin 54880

ATTACHMENT 1

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, **Carlisle E. Kelly and Deanna K. Kelly** (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, convey, and warrant to **ENBRIDGE PIPELINES (ILLINOIS) L.L.C.**, with an office at 119 North 25th Street East, Superior, Wisconsin 54880, its grantees, successors and assigns (hereinafter called "Grantee"), a pipeline right-of-way and perpetual easement to lay, construct, operate, maintain, inspect (including aerial patrol), remove, alter, abandon in place, replace, relocate and reconstruct two pipelines, together with any associated valves, fittings, signage, protective apparatus, and all other equipment and appurtenances as may be convenient in connection therewith for the transportation of crude petroleum, and any product, by-product, and derivatives thereof, whether liquid or gaseous, which can be conveyed through pipelines on, over, under, in, through 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 safe and efficient operation and patrol. The Grantor further grants the Grantee the right at any and all times to go upon said Right-of-Way for any of the foregoing purposes as well as 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, by access via the Right-of-Way itself, by access via public ways, or by access via such other convenient points as may be agreed from time to time with Grantor. Grantor further grants 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 Grantor is the lawful fee simple owner of the aforesaid lands, has the right and authority to make this grant, and will forever warrant and defend the title thereto against all claims whatsoever. Grantor agrees not to grant other longitudinal easements in the Right-of-Way.

SECOND: Grantee shall use its best efforts to minimize the negative agricultural impact during construction in accordance with and under the guidance of the Agricultural Impact Mitigation Agreement between Enbridge Pipelines (Illinois) L.L.C. and the Illinois Department of Agriculture, dated July 23, 2007, and recorded in DeWitt County on October 30, 2007, as Instrument No. 220831 and as Book 351 Page 383. Said agreement being made a part hereof by reference.

THIRD: The Grantee shall, at the time of construction, bury said pipelines at a sufficient depth through cultivated lands so that it will not interfere with ordinary annual crop cultivation. Grantee, after doing any work allowed in the Right-of-Way, shall restore the surface thereof to substantially reflect the condition existing immediately prior to such work. Grantee shall pay for damage to annual crops, fences, trees and other 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 pipelines have 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.

FOURTH: Grantor agrees not to excavate within the Right-of-Way or to erect within the Right-of-Way any permanent structures with foundations and/or which cannot be readily removed to allow access to the pipelines, unless by agreement with Grantee. Grantor shall not materially alter the grade of the Right-of-Way, unless by agreement with the Grantee. Grantor shall have the right fully to use and enjoy the Right-of-Way and easement area in ways that do not threaten the safety, integrity, and operation of the pipelines, except as the use thereof may be necessary, convenient, or incidental to the rights of Grantee specified herein; such Grantor's rights to include, among other things, the right to cross the Right-of-Way with utility, sewer, water, etc. lines as well as with roads and streets. Grantor and Grantee shall consult concerning activities in the Right-of-Way and shall resolve any disputes in the same manner as provided above for arbitration of damages.

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 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.

EIGHTH: Multiple Grantors and Grantees may execute separate original counterparts of this Right-of-Way and Easement Grant 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, Grantor and Grantee have executed this document this ____ day of _____ 20__.

GRANTOR:

Carlisle E. Kelly and Deanna K. Kelly

By: _____
Carlisle E. Kelly

By: _____
Deanna K. Kelly

GRANTEE:

ENBRIDGE PIPELINES (ILLINOIS) L.L.C.

By: _____
Douglas B. Aller
Authorized Agent