

I FILE NO. 1313 FILED FOR RECORD THE 27th DAY OF STATE OF IOWA, LOUISA COUNTY:  
C RECORDING FEE \$2.50 June, 1967 AT 8:00 Vivian Deam, Recorder  
M  
S TRANSFER FEE \$ O'CLOCK A.M. BOOK 261 PAGE 342-343 By \_\_\_\_\_, Deputy

LL-71-9/64  
IOWA

EASEMENT TO CONDUCT EXPLORATORY OPERATIONS  
OPTION FOR GAS STORAGE GRANT  
OIL AND GAS LEASE



This instrument dated this 7th day of June, 1967 by

Archie D McBee and Odessa M. McBee, his wife, Sellers  
hereinafter referred to as "Grantors" (whether one or more), Deloyd Swarts, Contract Buyer

WITNESSETH:  
Louisa

That Grantors, owners of the following described land in \_\_\_\_\_ County, Iowa, to-wit:

The West Half of the Northwest Quarter (W/2 NW/4) excepting the right of way of the C.R.I. & P. Railway Company over the south end of said land; and the North 2 acres of the East 5 Acres of the West 20 acres of the Northwest Quarter of the Southwest Quarter, all in Section 24, Township 75 North, Range 5 West of the 5th Principal Meridian, Louisa County, Iowa and the East Half of the Northeast Quarter of the Northeast Quarter and the Southeast Quarter of the Northeast Quarter of Section 23, except that part lying South of the North line of the right of way of the CRI & P RR Co., and excepting also a tract out of the Northwest corner of the tract hereby conveyed and owned by J.W. Robertson and being 20 feet wide North and South and 30 feet long East and West, all in Township 75 North, Range 5 West of the 5th P.M., Louisa County, Iowa.

containing 133 acres more or less, hereinafter referred to as "said land",

For and in consideration of the payment of One Dollar (\$1.00) per acre, receipt of which is hereby acknowledged, do hereby CONVEY and WARRANT unto Natural Gas Pipeline Company of America, a corporation, hereinafter referred to as "Grantee", its successors and assigns, in respect to said land, the right, privilege and easement for a period of three (3) years from the date hereof to conduct geological and geophysical exploratory operations in, under and upon said land, including, but not limited to, the drilling of test wells for the purpose of ascertaining the geological structure/s underlying said land and the further right to inject and withdraw gas on a pilot or test basis only, under said land (said injection and withdrawal to be completed within the period of the rights herein granted) and in connection therewith, the further right, privilege and easement to install such pipelines, electric lines and other structures, equipment and appurtenances as Grantee may deem necessary or desirable; to remove therefrom all property placed in or on said land by Grantee; to have the right of ingress and egress to, from and across said land at convenient locations.

TO HAVE AND TO HOLD the same unto Grantee, its successors and assigns, for the period of three (3) years from the date hereof, provided, however, that Grantee shall have the right, upon the payment of an equal sum, to extend the period of the aforementioned rights for three (3) years (such 3-year period, or the extension thereof, hereinafter referred to as "the option period").

Grantors further grant unto Grantee, its successors and assigns, the right and option to be exercised by written notice given to Grantors, sent by certified mail on or before the expiration of the option period, said notice to describe said land or such portion thereof upon which such option is exercised, and upon the payment to Grantors of the sum of Forty-five Dollars (\$45.00) per acre, less such sums per acre theretofore paid under the terms of this instrument to Grantors, and Grantors agree upon the receipt of the written notice as provided herein and upon the payment of such sum, that Grantee shall have, and Grantors hereby GRANT, CONVEY and WARRANT, upon the exercise of the option by Grantee, its successors or assigns, in respect to said land, the exclusive right, privilege and authority to introduce natural gas or other gases or vapors (all herein referred to as "gas") into any geological strata underlying said land not containing oil or gas in commercial quantities (all such strata being referred to as the "Storage Reservoir"); to store gas in the Storage Reservoir and to retain the possession of gas so stored as personal property; to remove gas (with any water vapors absorbed) from the Storage Reservoir; and to use, hold and occupy the Storage Reservoir for all such purposes and in connection therewith and with exploratory operations incidental thereto, the further right, privilege and easement to conduct geological or geophysical surveys, and to drill, install, maintain, renew, operate, move and remove at locations selected by Grantee such wells, pipelines, electric lines and other structures, equipment and appurtenances as Grantee may deem necessary or desirable therefor; to remove therefrom all property placed in or on said land by Grantee, including well casings; to have the right of ingress and egress to, from and across said land at necessary points; and to do and perform such other acts and things as may be necessary for all foregoing purposes; all as part of and in connection with the gas storage project for the storage of gas to be conducted on and under said land and lands in the vicinity thereof; and Grantors hereby expressly release and waive any right of homestead.

TO HAVE AND TO HOLD the same unto Grantee, its successors and assigns, forever, all subject, however, to the following covenants and provisions:

1. In the event Grantee shall not exercise the option herein granted on or before the expiration of the option period, Grantee shall, after such expiration, upon request of Grantor, execute a valid release of all rights herein granted.

2. Without regard to the payments hereinabove provided for, Grantee shall pay Grantors (a) for each exploratory well without above-ground permanent appurtenances drilled on said land during the option period, the sum of \$50.00; (b) for each observation well and its appurtenances drilled on said land the sum of \$250.00; (c) for each injection-withdrawal well drilled after the exercise of the option hereinabove provided for the sum of \$1,000.00; (d) for each lineal rod of pipeline not located on a public highway the sum of Three Dollars (\$3.00) for said pipeline and (e) for all other installations the reasonable compensation therefor. Payment for any well shall be made prior to its installation, and payment for any other facility shall be made promptly after installation.

3. Grantee covenants that any exploratory well drilled during the option period shall be cased and valved at the surface or plugged in accordance with applicable state regulations.

4. Grantee shall pay Grantors, their successors in interest and/or tenants, as their respective interests may appear, for all damages to growing crops and timber, fences and improvements, occasioned by the installation, maintenance, operation, renewal or removal of pipelines or other facilities, except at well sites.

5. Grantee may occupy for each storage injection-withdrawal well, its fixed appurtenances and any structures and equipment necessary to its operation, an area in the form of a rectangle two hundred feet by one hundred feet, the longer sides of which shall be adjacent to a property line, a quarter section line, or a fence line, and Grantee may have temporary use of an adjoining area for operations incident to the operation, maintenance or repair thereof. Grantee may enclose all or any part of each such well site area with a fence, and shall at Grantor's written request so enclose each such well and its appurtenances.

6. Grantee may occupy for each observation well, its fixed appurtenances, and any structures and equipment necessary to its operation, an area in the form of a rectangle 25 feet by 50 feet, the longer sides of which shall be parallel to a property line, a quarter section line, or a fence line, and Grantee may have temporary use of an adjoining area for operations incident to the operation, maintenance or repair thereof. Grantee may enclose all or any part of each such well site area with a fence, and shall, at Grantor's written request, so enclose each such well and its appurtenances.

7. Grantee shall bury and maintain all pipelines below plow depth, and on the removal or abandonment of any of the facilities authorized hereunder, shall restore the surface of said land as near as practicable to its original condition. All pipelines shall, if in Grantee's judgment feasible, be located on or within fifty feet of a property line, section line, quarter section or fence line. Grantor hereby consents to the laying of any pipeline/s hereunder within 300 feet of any occupied residence or residences on the said land.

8. All tile drains that may be cut or disturbed by exercise of any of the rights hereby granted shall be repaired by Grantee in a good and workmanlike manner, with tile drains supported by substantial iron supports where required.

9. Grantee in selecting the location for any of the above mentioned storage wells shall refrain from drilling or placing said well at a point closer than 300 feet from any existing residential dwelling on Grantor's property unless Grantor agrees, in writing, to the location of such well at a lesser distance therefrom.

10. Grantee shall, in the course of all operations in this Agreement authorized, use due care to protect Grantor's water supply. In the event it is demonstrated that a source of water supply presently used by Grantor is interrupted by Grantee's operation, Grantee shall provide an alternate source of water to Grantor for domestic and agricultural use during such period as Grantor's water supply is so interrupted.

11. The terms, covenants and conditions of this instrument shall be binding on the parties hereto, their heirs, successors and assigns, and shall constitute covenants running with the said land.

Because of the possibility, however slight, that deposits of oil, gas or other gaseous or liquid hydrocarbons before the commencement of Grantee's storage operations may be discovered in the course of the exploratory operations referred to above, Grantors do, for the consideration hereinabove stated, and the royalties hereinabove provided, further hereby lease and let said land exclusively to Grantee, its successors and assigns, for the purpose of investigating, exploring, drilling, prospecting and mining for and producing oil, gas and all other gaseous or liquid hydrocarbons, and grant to Grantee all other rights, privileges and easements necessary or convenient to the enjoyment thereof, all such rights being hereinafter referred to as leasehold rights. Grantee's right, granted by this paragraph, to produce minerals shall be limited to those minerals found 500 feet or more below the surface of said land.

See Exercise of Option Book 282 Pages 277 & 278

See Assignment of Proceeds to The Federal Land Bt. of Amsham Bt. 265 Pgs. 237 thru 239

I C M S	FILE NO. <u>1345</u>	FILED FOR RECORD THE <u>15th</u> DAY OF	STATE OF IOWA, LOUISA COUNTY:
	RECORDING FEE \$ <u>3.50</u>	<u>July</u> , 19 <u>68</u> AT <u>3:45</u>	<u>Vivian Deam</u> , Recorder
	TRANSFER FEE \$ _____	O'CLOCK <u>P.</u> M. BOOK <u>267</u> PAGE <u>144</u> thru <u>146</u>	_____, Deputy

LL-3 (Iowa)  
Rev. 1/65

Line No. CCL  
R/W No. CJ-434  
County Louisa  
State of Iowa \_\_\_\_\_

**RIGHT OF WAY AGREEMENT**  
(Standard)

The undersigned (hereinafter referred to in the singular as GRANTOR, whether one or more), the owner of the real estate herein described, for valuable consideration received, does hereby grant, convey, and warrant to NATURAL GAS PIPELINE COMPANY OF AMERICA, a Delaware corporation (hereinafter referred to as GRANTEE), its successors and assigns, the rights, privileges and easements hereinafter set forth with respect to the following described real estate in the County of Louisa, State of Iowa, to wit:

The West Half of the Northwest Quarter (W/2 NW/4) excepting the right of way of the C. R.I. & P. Railway Company over the south end of said land; and the North 2 acres of the East 5 acres of the West 20 acres of the Northwest Quarter of the Southwest Quarter, all in Section 24, Township 75 North, Range 5 West of the 5th Principal Meridian, Louisa County, Iowa and the East Half of the Northeast Quarter of the Northeast Quarter and the Southeast Quarter of the Northeast Quarter of Section 23, except that part lying South of the North line of the right of way of the C. R.I. & P. Railroad Co., and excepting also a tract out of the Northwest corner of the tract hereby conveyed and owned by J. W. Robertson and being 20 feet wide North and South and 30 feet long East and West, all in Township 75 North, Range 5 West of the 5th P. M., Louisa County, Iowa.

SIGNED FOR IDENTIFICATION Deloyd Swarts  
(DB 91)

GRANTEE or its rights hereunder, provided, however, that GRANTOR shall not be liable for any damage to any pipeline or other facility constructed by GRANTEE hereunder, without the express consent of GRANTOR. GRANTEE shall have the right from time to time to cut all trees, undergrowth and other ob-

FILE NO. 150  
 BOOK 282 PAGE 277+  
 278  
 1970 JUN 19 PM 1:52  
 \$2.50 ✓  
 VIVIAN DEAM  
 RECORDER  
 LOUISA CO., IOWA

STATE OF IOWA }  
 COUNTY OF Louisa } SS.

C.J-434

**ACKNOWLEDGMENT OF EXERCISE OF OPTION  
 AND RECEIPT OF PAYMENT THEREFOR**

KNOW ALL MEN BY THESE PRESENTS, That

WHEREAS, the undersigned, or their predecessors in interest, did as of the 7th day of June, 1967, execute in favor of NATURAL GAS PIPELINE COMPANY OF AMERICA, its successors and assigns, a certain instrument styled "Easement To Conduct Exploratory Operations - Option For Gas Storage Easement - Oil and Gas Lease" which said instrument is recorded as Document No. 1313 in Book 261, at Page 342-343 of the records of Louisa County, Iowa (said instrument), wherein said NATURAL GAS PIPELINE COMPANY OF AMERICA was granted, among other things, the option to acquire underground storage rights, together with certain other rights in the premises situated in Louisa County, Iowa and therein described, to-wit:

The East half of the Northeast Quarter of the Northeast Quarter of Section 23; and the West half of the Northwest Quarter of Section 24, excepting therefrom the right of way of the C. R.I. & P. Railroad Company over the South end of said land. Also the Southeast Quarter of the Northeast Quarter of Section 23, except that part lying South of the North line of the right of way of the C. R.I. & P. Railroad Company, and excepting also a tract out of the Northwest corner of the tract hereby conveyed and owned by J. W. Robertson and being 20 feet wide North and South and 30 feet long, East and West. All of said land being in Township 75 North, Range 5 West of the 5th P. M. and being situated in Louisa County, Iowa.

and

WHEREAS, NATURAL GAS PIPELINE COMPANY OF AMERICA has exercised the option granted to it to acquire underground gas storage rights in and to the aid instrument upon the exercise of said option:

NOW, THEREFORE, for and in consideration of One Dollar (\$1.00) and other good and valuable considerations, the undersigned, being the owners of the premises above described, do hereby acknowledge: (a) the exercise of the option; (b) the vesting of the rights created by said exercise thereof in NATURAL GAS PIPELINE COMPANY OF AMERICA, its successors and assigns; (c) the continuing validity of the rights therein granted; and (d) that the undersigned have received from NATURAL GAS PIPELINE COMPANY OF AMERICA payment in full of the consideration required to be paid them upon the exercise of the said option.

IN WITNESS WHEREOF, this instrument is executed as of this 13th day of January, 1970.

Deloyd Swarts  
 Deloyd Swarts

Archie D. McBee  
 Archie D. McBee

Odessa M. McBee  
 Odessa M. McBee

REAL ESTATE  
 TRANSFER TAX  
 SEAL  
 19 JUN 70  
 DEPARTMENT OF REVENUE  
 \$007.70 TRFR FEE

Payment 6,512.01

BOOK 282

Page 277

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