PREPARED BY: Alan Van Bochove Black Hills Power, Inc. Rapid City, SD 57709 (605) 721-2231

STATE OF SOUTH DAKOTA))ss. PERMANENT UTILITY EASEMENT COUNTY OF PENNINGTON)

FOR AND IN CONSIDERATION of the sum of One Dollar (\$1.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the CITY OF RAPID CITY (hereinafter "City"), a municipal corporation, of 300 Sixth Street, Rapid City, South Dakota, 57701, Grantor, hereby grants to BLACK HILLS POWER, INC., a South Dakota corporation, of 625 Ninth Street, P.O. Box 1400, Rapid City, South Dakota, 57709, the Grantee, a permanent utility easement in, on, over, under, and across the following described real property:

A 16' x 16' square along the southern boundary of the unplatted balance of the East 650' of SE1/4SW1/4NE1/4 of Section Eighteen (18), Township One North (T1N), Range Eight East (R8E) of the Black Hills Meridian, Pennington County, South Dakota, the centerline of which is located 459' to the west of the southeast property corner, as shown on Exhibit "A", which has been attached hereto and incorporated herein by this reference.

This easement grants to the Grantee the right to construct, operate, maintain, alter, remove, upgrade, enhance, and replace an electrical power system consisting of buried cables or wires, surface terminals, surface markers, transformer pads or vaults, and an electrical power line with poles, wires, and associated equipment, and all necessary attachments and appurtenances, with the right of ingress and egress therefore, together with the right to cut, trim, or remove from said right of way any brush, trees, stumps or roots where necessary to secure a clearance from the conductors of at least five (5) feet on each side of the centerline of said right of way. Should the City need to expand the right-of-way adjacent to the easement or otherwise develop the property, the City can terminate the easement and require that the grantee remove or relocate any utilities therein. If the City terminates the easement, the cost of removing or relocating the utilities shall be at the sole expense of the grantee.

DATED this _____ day of _____, 20___

CITY OF RAPID CITY

Alan Hanks, Mayor

ATTEST:

Finance Officer

STATE OF SOUTH DAKOTA))ss. COUNTY OF PENNINGTON)

On this _____ day of _____, 2008, before me, the undersigned officer, personally appeared Alan Hanks and Jim Preston, who acknowledged themselves to be the Mayor and Finance Officer, respectively, of the City of Rapid City and that, as such Mayor and Finance Officer, being duly authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[SEAL]

Notary Public, State of South Dakota My Commission Expires:_____

EXHIBIT "A"

The real estate referred to is specifically described as follows:

The unplatted balance of the East 650' of SE1/4SW1/4NE1/4 of Section Eighteen (18), Township One North (T1N), Range Eight East (R8E) of the Black Hills Meridian, Pennington County, South Dakota, as shown on Exhibit "A", attached hereto



