

PLAINS ALL AMERICAN PIPELINE, L.P. and its Affiliates ENCROACHMENT PERMIT (PLAINS)

PERMITTEE:

Name: City of Rapid City
Phone: 605-394-4140
Email:

Pipeline No. 9022
Address: 300 6th Street
Rapid City, SD 57701

LOCATION

Table with columns: Qtr, Sec, Twp, Rng, County, State, PMAS File #, District, Diameter, Other Land Description, Line Segment, Eng. Station, Easement Width, Mile Post.

DESCRIPTION OF ENCROACHMENT AND PERMITTED WORK OR ITEM (attach diagram if necessary)

What: One Sanitary Sewer line crossing RMPS Products 50' Right of Way within the confines of the 20' sewer easement further described on the attached drawing (Exhibit A).

Where: SE/4 of NW/4 of Section 4, Township 1 North, Range 8 East, Rapid City, Pennington County, SD

See attached Exhibit A.

Encroachment Duration: Permanent

IMPORTANT NOTICE!

Excavation activity can damage pipelines resulting in the release of hazardous gases or liquids, which may cause serious injury or death to people, damage to property or the environment. To avoid damaging a pipeline:

- 1. Call the appropriate ONE CALL system(s) at least 48 hours before work begins.
2. Look for evidence of a pipeline, such as warning signs, aerial patrol markers, casing vents, and aboveground pipeline.
3. Never assume the location of the pipeline because:
- They can change directions abruptly without aboveground physical evidence.
- Their depth can vary substantially in short distances.
- More than one pipeline may be present
4. Call Plains at the telephone number below for free line location service and on site assistance before ANY activity is performed on or near our easement.
5. Follow Plains SPECIFICATIONS on the back of this page, when performing work near a Plains pipeline(s).

This Encroachment Permit is granted subject to the Conditions and Special Provisions shown below and strictly in accordance with the Specifications shown on the reverse side hereof.

Conditions

- 1. The Permit herein granted is subject to the existing rights of Plains.
2. Permittee will perform the Permitted Work or construct, maintain, relocate, and remove the Permitted Item at no expense to Plains.
3. Any work performed near the pipeline without the presence of a Plains representative will necessitate that the pipeline be exposed for inspection and needed repairs performed at the Permittee's or responsible party's cost.
4. This Permit shall be revocable by Plains in the event of Permittee's noncompliance with any requirements, conditions, or specifications of the Permit, upon notice given to Permittee and/or the Owner of the Permitted Item.
5. PERMITTEE SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS PLAINS, ITS PARENT, ASSOCIATED AND AFFILIATED COMPANIES, THEIR AGENTS, EMPLOYEES, OFFICERS, DIRECTORS, INSURERS, SUCCESSORS AND ASSIGNS FROM AND AGAINST ANY LOSS, DAMAGE, CLAIM, SUIT LIABILITY, JUDGMENT AND EXPENSE (INCLUDING ATTORNEYS' FEES AND OTHER COSTS OF LITIGATION), AND ANY FINES, PENALTIES AND ASSESSMENTS ARISING OUT OF INJURY, DISEASE OR DEATH OF PERSONS (INCLUDING THAT OF THE EMPLOYEES OF PLAINS OR PERMITTEE OR THEIR CONTRACTORS AND SUBCONTRACTORS), DAMAGE TO OR LOSS OF ANY PROPERTY (INCLUDING THAT OF PLAINS OR PERMITTEE OR THEIR CONTRACTORS AND SUBCONTRACTORS), AND ANY ENVIRONMENTAL HARM, OR DAMAGES TO NATURAL RESOURCES, CAUSED BY, ARISING OUT OF OR RESULTING FROM, EITHER DIRECTLY OR INDIRECTLY, THE ACTIVITIES OF PERMITTEE AND ITS CONTRACTORS OR SUBCONTRACTORS IN THE CONSTRUCTION, OPERATION AND MAINTENANCE OF PERMITTEE'S PERMITTED ITEM ACROSS PLAINS' PIPELINES AND ASSOCIATED RIGHTS-OF-WAY.
6. Permittee, at no cost to Plains, shall supply plans, surveys and drawings, if Plains deems necessary.
7. Plains maintains the right to cease permitted operations, if in the opinion of Plains, the conditions of the permit are not being met, or if Permittee is not following safe operating, excavation activity, appropriate safety or traffic control procedures.
8. Plains reserves the right to alter the terms of this Permit at any time, provided that Permittee will be given a reasonable time to comply, at Permittee's expense, with any new requirements.
9. All Permitted Work or Items shall be constructed and maintained to comply with all laws and industry standards.
10. The permission herein granted by Plains is limited to its interest and authority in the subject land and Permittee acknowledges the possible obligation to obtain the required permission from other parties of interest or the Government. Plains permits this Item only to the extent it may do so by law.
11. This permit does not change or modify any provisions of Plains' existing right-of-way contracts or easements, unless such easements are required to be amended as a result of Permittee's encroachment. Permittee acknowledges that the granting of this Permit may require amendment of the existing right-of-way contract or easement to reflect a change in land use or land rights.
12. At no cost to Permittee, a Plains representative will erect temporary flags marking the pipelines location and shall be present during all active work periods to observe excavation or other construction activities near the pipeline. Permittee shall provide advance notice of a minimum of two (2) business days prior to any construction and to arrange for a Plains representative to be on site during work activities.
13. Permittee shall not modify or alter the Permitted Encroachment, nor construct or permit additional encroachments on the Right-of-Way, without Plains prior written consent.
14. The terms, conditions, and provisions contained herein shall be binding upon the parties hereto, their heirs, successors and assigns.

Special Provisions:

All utility crossing must maintain a minimum of 24 inches of separation between structures. See Exhibit "A" Utility Easement Description attached hereto and made a part hereof.

Your local Plains contact is:

Mark Johring: 605.343.9764

In Event of an Emergency Call: 1-800-708-5071

Plains Pipeline, L.P.

Submitted by: [Signature]
Date:

I acknowledge that I have reviewed the requirements, Conditions and Special Provisions of this Permit and agree to the terms thereof. CITY OF RAPID CITY

By: Mayor PERMITTEE Date:

Alan Hanks, Mayor
Permittee Name and Title (Print)

Permittee Address: 300 Sixth Street
Rapid City, SD 57701

ATTEST:

Finance Officer
(SEAL)

SPECIFICATIONS

1. **ALL PIPELINES, UTILITY LINES** and other underground facilities constructed across Plains owned or operated pipeline must be installed with a minimum vertical separation of 24 inches between structures. All facilities crossing a Plains pipeline shall be made of, or encased in, steel pipe with threaded or welded joints the entire width of Plains' right of way. Horizontal separations will be determined on a case-by-case basis. Electrical conduit and cables are excluded, please refer to paragraph 2. All work and cleanup will be conducted in a manner acceptable to Plains' on-site representative. All buried lines crossing the pipeline(s) must cross at an angle of not less than 45 degrees from the pipeline(s). Vinyl direct buried warning tapes shall be placed above the crossing line.
2. **ALL UNDERGROUND ELECTRICAL CABLES** shall be installed with a minimum vertical separation of 24 inches between structures with all plans, work and cleanup conducted in a manner acceptable to Plains' on-site representative. Horizontal separation will be determined on a case-by-case basis. In addition, the electrical cable must be enclosed in conduit (steel or Schedule 80 PVC). It should be covered with red reinforced concrete with a minimum width of 6 inches on each side and above the conduit, for the entire width of Plains' right of way.
3. **ALL UNDERGROUND FIBER OPTIC CABLES** shall be installed with a minimum vertical separation of 24 inches between structures with all plans, work and cleanup conducted in a manner acceptable to Plains' on-site representative. Horizontal separation will be determined on a case-by-case basis. In addition, the fiber optic cable must be enclosed in conduit (steel or Schedule 80 PVC). It should be covered with red reinforced concrete with a minimum width of 6 inches on each side and above the conduit, for the entire width of Plains' right of way.
4. **ALL PROPOSED ROADS, STREETS, OR DRIVEWAYS** shall be constructed with a minimum cover of 48 inches, including the sub-grade, as measured from the top of the Plains pipeline to the bottom of the pavement (road, street, or driveway) outlined below. If a Plains pipeline will require adjustment to accommodate a roadway, street, or driveway crossing, the cost of any such lowering or relocation shall be borne by the party or parties requesting the adjustment. With each request involving roads, streets, or driveways, Plains reserves the right to excavate to expose and inspect its pipeline(s) to determine the need for pipe replacement, full encasement, or heavy wall pipe. The cost of this activity will be at the expense of the requesting party.

A. PIPELINE MINIMUM COVER REQUIREMENTS

1. 48 inches from bottom of pavement under a road, street or driveway to the top of Plains' pipeline.
2. 36 inches under all other surfaces to the top of Plains' pipeline.

B. Any concrete paving (other than for road, street or driveway crossings of a Plains pipeline) i.e. a parking lot should it be approved to be constructed over the Plains' pipeline by a Plains representative shall (a) be reinforced, (b) not exceed 4 inches in thickness, (c) be sectioned in 10 foot by 15 foot panels (15' dimension shall be perpendicular to the pipeline) with appropriate expansion joints, (d) containing lifting rings, and (e) conform to the minimum cover requirements stipulated above.

C. Plains shall have the right to cut and remove any pavement or other surface structures or improvements now or hereafter located over or across a Plains pipeline, without prior notice or any obligation to repair, replace, resurface or dispose of removed material, for the purpose of exercising any rights granted to Plains under the pipeline rights of way and easements. If Plains damages the Permitted Item, Permittee shall, at Permittee's sole cost and expense, be responsible for the replacement of the permitted item that was removed or damaged by Plains, and Plains shall not be required to pay any damages to Permittee.

D. APWA color coded vinyl warning tape (yellow) will be placed under the paved area along the route of each pipeline(s).

5. **ANY DRAINAGE DITCHES** shall be constructed with a minimum cover, and measured from the lowest point in the ditch, to the top of pipe as follows:
 1. Concrete lined – 12 inches.
 2. Unlined – 36 inches.

Any drainage canals shall be constructed with a minimum of 60 inches of cover below the ultimate flow line.

6. **TEMPORARY (HAUL) ROAD** crossings shall be constructed with a minimum ground cover (as measured from the surface of the road to the top of the pipeline) of 5-feet. A temporary earthen berm may be constructed to meet this requirement.

Where it is necessary for heavy equipment to cross the pipeline, additional measures may be needed to effectively distribute the weight of such equipment, for example, installing additional cover, timber matting and/or a temporary bridge for passage over the pipeline.

7. **LAKES OR OTHER BODIES OF WATER** shall not be constructed over the pipeline or within the boundaries of the pipeline easement. Additionally, the surface cannot be developed or changed in any way that would cause rainwater or runoff to collect on the pipeline right-of-way.
8. **DRILLING OR BORING** shall require additional damage prevention measures, whether installing a crossing or otherwise conducting such operations within 25-feet of the pipeline. It is Plains' option whether peepholes or sheet piling be installed to an elevation lower than the pipeline, before drilling/boring to help ensure its protection. Plains requires continuous tracking of the drilling head as well as using a physical technique (such as probing) to ascertain the exact location of the head before it crosses the Plains pipeline. Plains may also require that the pipeline be exposed when near drill/bore entry or exit points.
9. **ABOVE GROUND LINE CROSSINGS.** All guy wires shall maintain a minimum of clearance of 20 feet from the lines lowest sag point to the surface of the ground. All poles will maintain a minimum distance of 20 feet from any pipeline(s).
10. If Plains determines it is necessary to lower, encase or otherwise adjust a Plains pipeline because of the landowner's (developer's, etc.) construction activity, the landowner or developer shall reimburse Plains for the cost of lowering, encasement or other adjustments.
11. **Please notify Jason Miers, Land Representative in Houston, Texas, at telephone number 713-993-5207 at least two (2) business days prior to commencing any excavating or construction activity in the vicinity of any Plains pipeline.** South Dakota law requires that the **One Call System** be notified at **1-800-781-7474 (SD)** before starting any excavation or construction activity. If you are unable to contact the above Plains representative, contact the Pipeline Control Center in Midland, Texas, and the information will be relayed.

Pipeline Control Center
24 hours: 1-800-708-5071

12. No excavating or construction activity shall be conducted within 25 feet of any Plains pipeline or related facility in the absence of a Plains representative. All plans that are submitted to Plains for approval shall have the three phone numbers above, along with the two (2) business days notice of commencement, imprinted on plans.
13. Any contractor, developer, geophysical entity etc., planning blasting operations within 500 feet of any Plains pipeline or facility shall submit a blasting plan to Plains for approval. This plan will include hole depth, diameter, spacing, burden, delay times, maximum charge weight per delay, sequence, explosive type and blast zone relative to the Plains pipeline or facility. Under NO circumstances will blasting or seismic shot holes be allowed within 100 feet of any Plains pipeline.
14. No signs, billboards, monuments, buildings, power poles, structures, manholes, parking lots, shrubbery, or trees shall be located within a Plains right of way and easement area so that the pipeline can be maintained without damaging these structures or being impeded by them.
15. No excavation shall be made on land adjacent to any Plains pipeline which will in any way impair, withdraw lateral support, cause subsidence, create the accumulation of water, or cause damage to the Plains pipeline right of way.
16. No fence shall be placed across a Plains right of way without written permission from Plains. If fences are permitted, 14-foot gates must be installed on the right of way, and keys to any installed locks shall be provided to Plains.
17. Side cutters shall be removed from the bucket of excavation equipment, and a bar shall be installed across the teeth during excavation in the vicinity of any Plains pipeline.
18. No paving is to be placed over any Plains right of way without prior written permission from Plains.
19. Any damage to existing Plains pipelines, facilities, pipeline insulation and/or coating, casing, markers and/or signs, test leads, vent pipes, fences, gates and/or any other associated pipeline apparatus resulting from the installation, construction, maintenance or operations of any third party facilities crossing Plains' pipelines shall be repaired to Plains' satisfaction or replaced at the sole cost and expense by the responsible party within 15 days after the damage has occurred.
20. All written requests should be supported with plans and forwarded to Plains All American Pipeline, L.P., as follows: 1) Attn: Jason Miers, Land and Contracts, 333 Clay Street, Suite 1600, Houston, Texas 77002, Direct: (713) 993-5207, Fax: (713) 646-4146, and 2) _____

Permittee Initials _____

EXHIBIT "A"

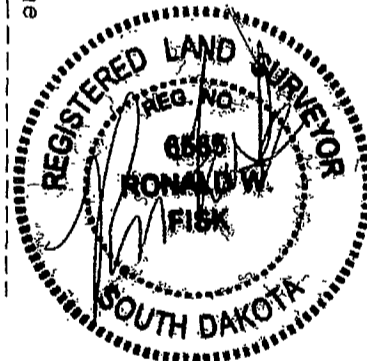
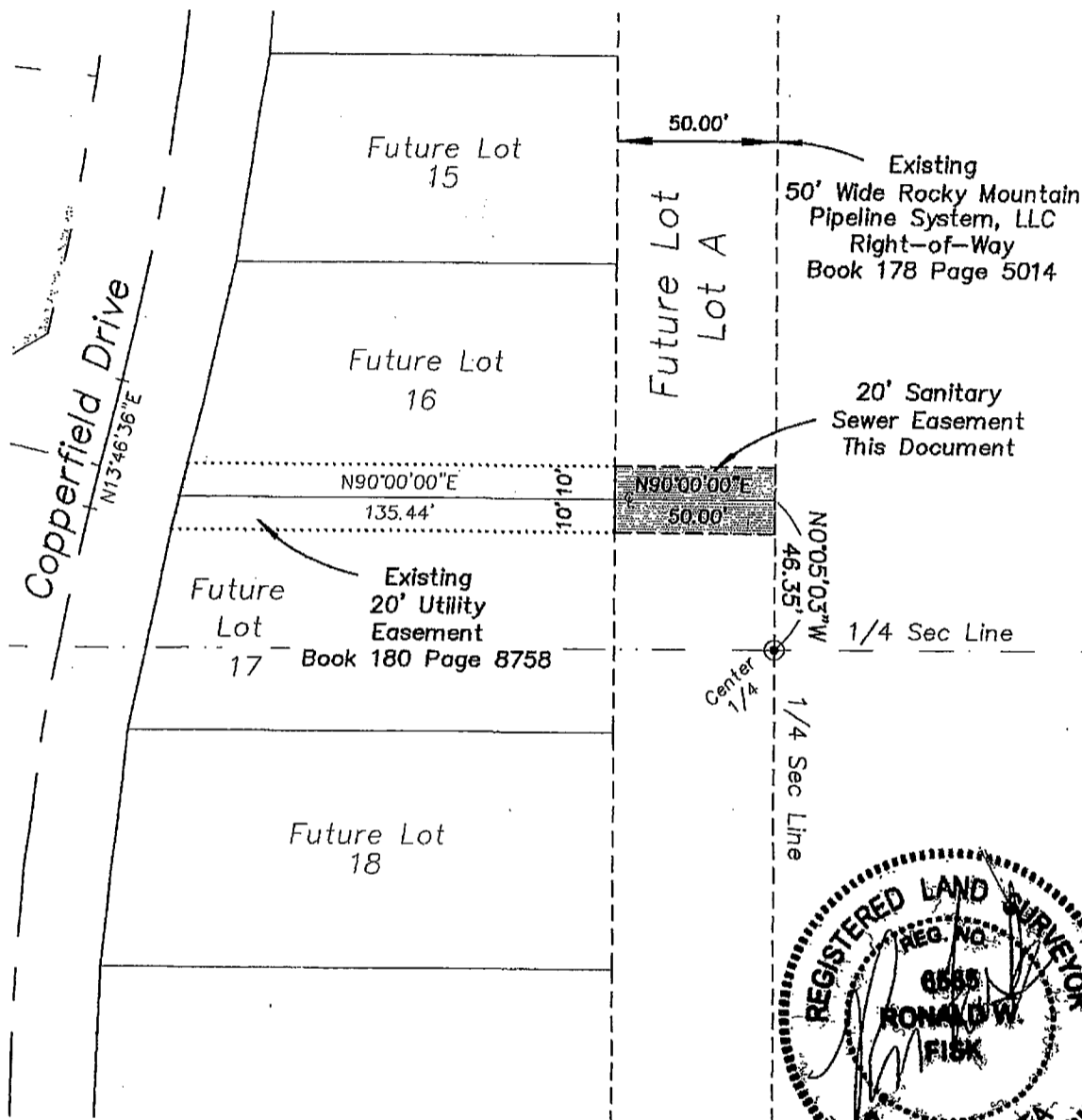
**EXHIBIT A
UTILITY EASEMENT**

LOCATED IN THE SE1/4 NW1/4 OF SECTION 4, T1N, R8E, BHM,
RAPID CITY, PENNINGTON COUNTY, SOUTH DAKOTA



1"=50'

- - Found Survey Monument as noted
- ⊙ - Set Rebar with cap marked "RW Fisk 6585"



PREPARED BY:
FISK LAND SURVEYING & CONSULTING ENGINEERS, INC.
P.O. BOX 8154, RAPID CITY, SD 57709 (605) 348-1538 July 2, 2008

NO.06-09-03