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July 24, 2002

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HAND DELIVERED



City Attorney's Office
Attn: Maggie
300 Sixth Street
Rapid City SD 57701

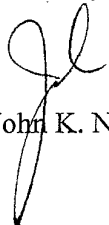
LF073102-09

Re: 5 Star Real Estate, Inc. Tax Incremental Financing District
Disk Drive Extension/Development and Maintenance Agreement
Our File No: 02N105

Dear Maggie:

After a conversation with Adam Altman, I am forwarding to you a draft copy of a Development and Maintenance Agreement and ask that you place this matter on the agenda of the Legal and Finance Committee Meeting of July 31. As I have mentioned to Adam, this is only a draft of the proposed agreement and hopefully prior to the meeting of July 31 we can resolve any additional issues which need to be resolved concerning the same. If you have any questions concerning the matter, please contact me.

Sincerely,


John K. Nooney

JKN:so

cc: **via hand delivery to:**
Adam Altman
Dan Bjerke
Marcia Elkins
Client

EXHIBIT "A"

DEVELOPMENT AND MAINTENANCE AGREEMENT

5 Star Real Estate Inc., a South Dakota Corporation, of PO Box 790, Rapid City SD 57701, hereinafter "5 Star", and the City of Rapid City, hereinafter the "City", and Williston Basin Interstate Pipeline Company, hereinafter "WBI", agree as follows:

1. In the event that the City of Rapid City creates a Tax Increment Financing District for the extension of Disk Drive on terms and conditions acceptable to 5 Star, WBI will dedicate a portion of Parcel 5 as public right of way for the extension of Disk Drive.
2. In the event that the Tax Increment Financing District is created for the extension of Disk Drive, WBI will not be assessed by the City for any additional tax obligations associated with the construction of Disk Drive as it relates to the Tax Incremental Financing District.
3. In the event WBI's dedicating a portion of Parcel 5 to the City for the extension of Disk Drive or public right of way, WBI will excavate the pipeline under Disk Drive only as is necessary according to reasonable business necessity.
4. In the event it becomes necessary in the ordinary course of business for WBI to excavate the pipeline under Disk Drive in Parcel 5, 5 Star agrees to be responsible for the removal, repair and/or the reconstruction of all surface improvements (curb, gutter, pavement and sidewalk) on Disk Drive occasioned by any excavation of the pipeline as contemplated by Paragraph 1.
5. WBI shall have the right to review and approve all utility crossing of Disk Drive, including City utility crossings, insofar as the crossings occur on its property to insure that its high-pressure natural gas transmission line is not affected by such crossings. The City shall reasonably notify WBI of any excavation to construct, maintain, repair or otherwise operate any utility facilities, including City utility facilities in such crossings.
6. The City may place no obstructions other than the aforesaid pavement improvements along or on Disk Drive, insofar as it crosses WBI's property, and may not limit WBI's access to its high pressure natural gas pipeline under Disk Drive, or to WBI's property adjacent to Disk Drive.
7. Nothing contained herein shall limit WBI's right to use its property for all valid purposes, including constructing, maintaining, repairing, replacing, increasing the capacity of or removing or otherwise operating its high pressure natural gas pipeline under Disk Drive.

The parties agree that this agreement applies exclusively to WBI and its pipeline facilities at this location and does not extend to any other facilities that may later be placed within WBI property.

Dated this _____ day of July, 2002.

WILLISTON BASIN INTERSTATE PIPELINE COMPANY

Attest:

By: _____
Tom K. Hopgood, Assistant Secretary

By: _____
Tony J. Finneman,
Executive Vice President and General Manager

State of North Dakota)
)ss.
County of Burleigh)

On the _____ day of July, 2002, before me, the undersigned officer, personally appeared Tom K. Hopgood and Tony J. Finneman, respectively the President and Chief Executive Officer and Assistant Secretary of Williston Basin Interstate Pipeline Company, known to me to be the persons described in, and who executed the within and foregoing instrument and who acknowledged to me that each of them has the requisite corporate authority and executed the same.

(SEAL)

Notary Public, North Dakota
My Commission Expires: _____

Dated this _____ day of July, 2002.

5 Star Real Estate, Inc.

BY: _____
Its: _____

State of South Dakota)
)ss.
County of Pennington)

On the ____ day of July, 2002, before me, the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of 5 Star Real Estate, Inc., and as such subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

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

(SEAL)

Notary Public, South Dakota
My Commission Expires: _____

Dated this ____ day of July, 2002.

Larry Henderson

State of South Dakota)
)ss.
County of Pennington)

On the ____ day of July, 2002, before me, the undersigned officer, personally appeared Larry Henderson, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

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

(SEAL)

Notary Public, South Dakota
My Commission Expires: _____

CITY OF RAPID CITY

By: _____
Jerry Munson, Mayor

By: _____
James Preston, Finance Officer

State of South Dakota)
)ss.
County of Pennington)

On the _____ day of July, 2002, before me, the undersigned officer, personally appeared Jerry Munson and James Preston, the Mayor and Finance Officer of the City of Rapid City respectively, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

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

(SEAL)

Notary Public, South Dakota
My Commission Expires: _____