

Prepared by:

Jay F. Cook  
Dorsey & Whitney LLP  
50 South 6<sup>th</sup> Street, Suite 1500  
Minneapolis, MN 55402-1498  
Telephone: 612-340-2922

INSTR. NO. 237029

BK 14 PAGE 1048

MISC  
2004 SEP 27 AM 10:07

KATHLEEN HILL  
LINCOLN CO., S. DAK  
REGISTER OF DEEDS



*22<sup>nd</sup> chg to #444 Lewis & Clark  
Ret to: Graham Sandberg  
(SD)*

### EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT ("Agreement") is made as of 17 SEPTEMBER, 2004, between Linda White Kronaizl and Dennis Kronaizl, her husband, ("Grantor", whether one or more), and Lewis and Clark Rural Water System, Inc., a South Dakota nonprofit corporation ("Grantee").

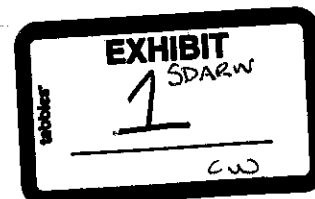
Grantor and Grantee agree as follows:

1. Grant of Easements. In consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby agreed to and acknowledged, Grantor hereby grants, warrants and conveys unto Grantee the permanent, perpetual and exclusive rights, privileges and easements hereinafter set forth, in, on, through, over, under and across the parcel of land located in Lincoln County, South Dakota, and designated as the "Permanent Easement Parcel" and described or shown on the attached Exhibit A (the "Permanent Easement Parcel"), and the temporary rights, privileges and easements hereinafter set forth, in, on, through, over, under and across the parcel of land located in Lincoln County, South Dakota, and designated as the "Construction Easement Parcel" and described or shown on the attached Exhibit A (the "Construction Easement Parcel", and together with the Permanent Easement Parcel, the "Easement Parcels").

2. Description of Easements. The rights, privileges and easements granted herein by Grantor to Grantee are described as follows:

A. The permanent, perpetual and exclusive right to enter upon the Permanent Easement Parcel immediately upon execution hereof and at any time and from time to time thereafter for the purposes hereinafter set forth.

B. The right to erect, construct, install, operate, repair, maintain, use, rebuild, relocate, add to, expand, remove, replace, and inspect, in, on, through, over, under and across the Permanent Easement Parcel: (i) pipelines and connections for the transmission and distribution of raw and treated water, (ii) air release, blow off, or in-line valves or other appurtenances,



including buried metal vaults, (iii) electric lines for the transmission of electricity to operate the Pipeline Facilities (as hereinafter defined), (iv) roadways for pedestrian and vehicular access to and from the Pipeline Facilities, and (v) other fixtures, equipment, machinery and devices (including, without limitation, cathodic protection equipment and devices) used or useful in the construction, installation, operation, repair, maintenance, replacement and use of such pipelines (such pipelines, valves, electric lines, roadways, fixtures, equipment, machinery and devices being herein collectively called the "Pipeline Facilities").

C. A temporary construction easement on the Construction Easement Parcel for a period of two (2) years after the commencement of construction of the Pipeline Facilities, with such personnel, vehicles and equipment as Grantee deems necessary or appropriate, for construction of such Pipeline Facilities.

D. The right to cut down, trim, control the growth of or eliminate by chemical spray or mechanical means, such trees, shrubbery and other plant growth within the Permanent Easement Parcel, as Grantee deems appropriate to properly construct, operate and maintain the Pipeline Facilities and to eliminate present or future hazards to the use thereof.

E. The right to erect reasonable signs for the purpose of monumenting the boundaries of the Easement Parcels and the location of the Pipeline Facilities.

F. The right to perform archeological surveys and soil investigations on the Easement Parcels.

G. The right, upon reasonable advance notice to Grantor, to enter upon and use, with such personnel, vehicles and equipment as Grantee deems necessary or appropriate, and for such time as is reasonably necessary, land belonging to Grantor adjacent to the Permanent Easement Parcel, for the purpose of surveying for and locating the Pipeline Facilities, and gaining access to the Permanent Easement Parcel to repair or maintain the Pipeline Facilities (which at all times shall be located within the boundaries of the Permanent Easement Parcel); provided, however, Grantee shall enter onto such adjacent lands only when and in such locations as reasonably necessary, and only to the extent and for the time reasonably necessary, to accomplish the purposes for which such entry is made, and so as to cause as little damage to and interference with Grantor's property (including without limitation crops) and activities thereon as reasonably possible. Without limiting the generality of Section 6 below, Grantee shall pay and reimburse Grantor for crop damages suffered by Grantor and arising out of or in connection with any such entry by Grantee.

H. The right to assign, transfer, apportion, divide, license, lease or otherwise set over the rights, privileges, and easements herein granted.

I. The rights, privileges and easements granted herein may be exercised by Grantee, its successors and assigns, and its and their respective employees, agents and contractors and any party expressly permitted by Grantee to exercise such rights, privileges and easements, including, without limitation, any of Grantee's members, and any such party's employees, agents and contractors.

The rights, privileges and easements granted herein are and shall be subject to easements, reservations and restrictions of record, if any, existing on the date hereof.

3. Grantee's Responsibilities.

A. Upon Grantor's request, prior to commencement of construction of the Pipeline Facilities to be constructed in, on or under the Permanent Easement Parcel, Grantee shall provide Grantor with a copy of the plans and specifications therefor.

B. Grantee will restore the surface of the construction area to its original contour and character as nearly as practicable, except that the earth shall be mounded over the pipe trench to compensate for settlement of the backfill. Grantee will employ accepted methods to prevent surface erosion of the construction area. Grantee will, after the pipeline trench has been backfilled, remove from the Easement Parcels strip rocks brought to the surface by Grantee's operations. Grantee will repair or relocate any agricultural drain tiles which require repair or relocation due to the construction of the Pipeline Facilities.

C. Unless otherwise instructed by Grantor, Grantee will cause the topsoil to be removed separately during the construction of the pipeline for the full width of the pipe trench to a depth of twelve (12) inches or the actual topsoil depth, whichever is less, and to be replaced at the top of the backfill over the pipe trench. Grantee shall segregate the topsoil on the Easement Parcels.

D. During construction suitable crossovers shall be installed over the pipe trench as needed by Grantor. All fences that are cut or disturbed shall be repaired by Grantee in a good and workerlike manner. Before a fence is cut by Grantee, it shall be properly supported on either side of the contemplated opening by suitable posts and braces and temporary gates shall be provided at fence openings where required.

E. Grantee will endeavor to provide Grantor with seven (7) days' advance notice of entry onto the Easement Parcels or any lands of Grantor adjacent thereto for purposes of maintenance or repair of the Pipeline Facilities, except in the case of an emergency, in which case Grantee will endeavor to provide such notice as is feasible under the circumstances.

F. Grantee shall construct, install and operate the Pipeline Facilities in a good and workerlike manner, and in compliance with all applicable governmental laws, ordinances, codes, rules, regulations and requirements.

G. Grantee shall indemnify and defend Grantor against, and hold Grantor harmless from, all claims, actions, liabilities, damages, costs and expenses arising out of or in connection with Grantee's presence and activities on the Easement Parcels and Grantor's land adjacent to the Easement Parcels.

4. Improvements by Grantor on Easement Parcel. Grantor reserves the right to cultivate and harvest crops on and the right of access over and across the Easement Parcels so long as such use does not interfere with Grantee's exercise of the rights, privileges and easements granted herein, except that Grantor shall not erect or install any structures or other objects, permanent or temporary (collectively, "Improvements"), thereon, or plant any trees or shrubs thereon, without

Grantee's prior written approval, which Grantee may withhold in its sole discretion; provided further, however, that Grantor may erect or install Improvements or plant trees or shrubs on the Construction Easement Parcel after the Completion Date with respect to the Pipeline Facilities originally constructed and installed pursuant hereto has occurred, and the cost of repairing any damage thereto caused by activities undertaken pursuant hereto after such Completion Date has occurred shall be paid by Grantee. The Completion Date shall be the date when construction work on the Pipeline Facilities is actually completed on the Easement Parcels.

5. Cooperation. Grantor, without charge to Grantee, shall cooperate in Grantee's attempts to obtain all governmental approvals that Grantee deems necessary or desirable so that Grantee can make the use of the Easement Parcels that Grantee intends and shall execute such documents as may be required by governmental bodies to accomplish the foregoing.

6. Crop Damages. Grantee shall pay and reimburse Grantor for crop damages arising out of or in connection with Grantee's presence and activities on Grantor's land adjacent to the Easement Parcels and on the Easement Parcels. Crop damages with respect to the construction and installation of the Pipeline Facilities originally constructed and installed pursuant hereto shall be paid one (1) time, upon execution hereof. If no crop is destroyed, compensation for the short-term reduced productivity of the land for the year of construction will be determined by using a set formula of three (3) times the most recent State Agricultural Statistic Service average per acre cash rent in the county, regardless of the specific crop impacted. This formula is reflected in the following breakdown: year of construction - 100% average cash rent, year two - 75% average cash rent, year three - 60% average cash rent, year four - 40% average cash rent, year five - 25% average cash rent. If a crop is damaged or destroyed, crop damages for the year of construction will be determined by adding the value of the actual standing crop which was damaged or destroyed to an amount determined by using a set formula of two (2) times the most-recent State Agricultural Statistic Service average per acre cash rent in the county. This formula is reflected in the following breakdown: year of construction - actual crop loss, year two - 75% average cash rent, year three - 60% average cash rent, year four - 40% average cash rent, year five - 25% average cash rent. Crop damages will also be paid as otherwise expressly provided in this Agreement.

7. Assignment. This Agreement shall run with the land and be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

8. Governing Law. This Agreement is to be construed and enforced according to and governed by the laws of the State of South Dakota.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be duly executed as of the date first written above.

GRANTOR

Linda White Kronaizl  
Linda White Kronaizl

Dennis Kronaizl  
Dennis Kronaizl

GRANTEE

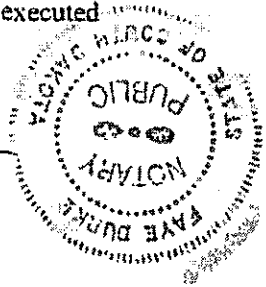
LEWIS AND CLARK RURAL WATER SYSTEM,  
INC.

By: Terence Pellmar  
Its: LAND ACQUISITION COORDINATOR  
Date: 17 SEPTEMBER 2004

STATE OF SOUTH DAKOTA )  
 ) ss.  
COUNTY OF Ben Homme )

On this 6 day of Sept, 2007, before me personally appeared Linda White Kronaizl and Dennis Kronaizl, known to me to be the person(s) described in and who executed the within instrument, and acknowledged to me that he/she/they executed the same.

Jaye Bucke  
Notary Public 4-12-2010



STATE OF SOUTH DAKOTA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, before me personally appeared \_\_\_\_\_, known to me to be the person(s) described in and who executed the within instrument, and acknowledged to me that he/she/they executed the same.

\_\_\_\_\_  
Notary Public

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

On this 17 day of SEPTEMBER, 2004, before me personally appeared TERENCE PELLMAN, known to me to be the LAND ACQUISITION COORDINATOR of LEWIS AND CLARK RURAL WATER SYSTEM, INC., a South Dakota nonprofit corporation, the corporation that is described in and that executed the within instrument and acknowledged to me that such corporation executed the same.

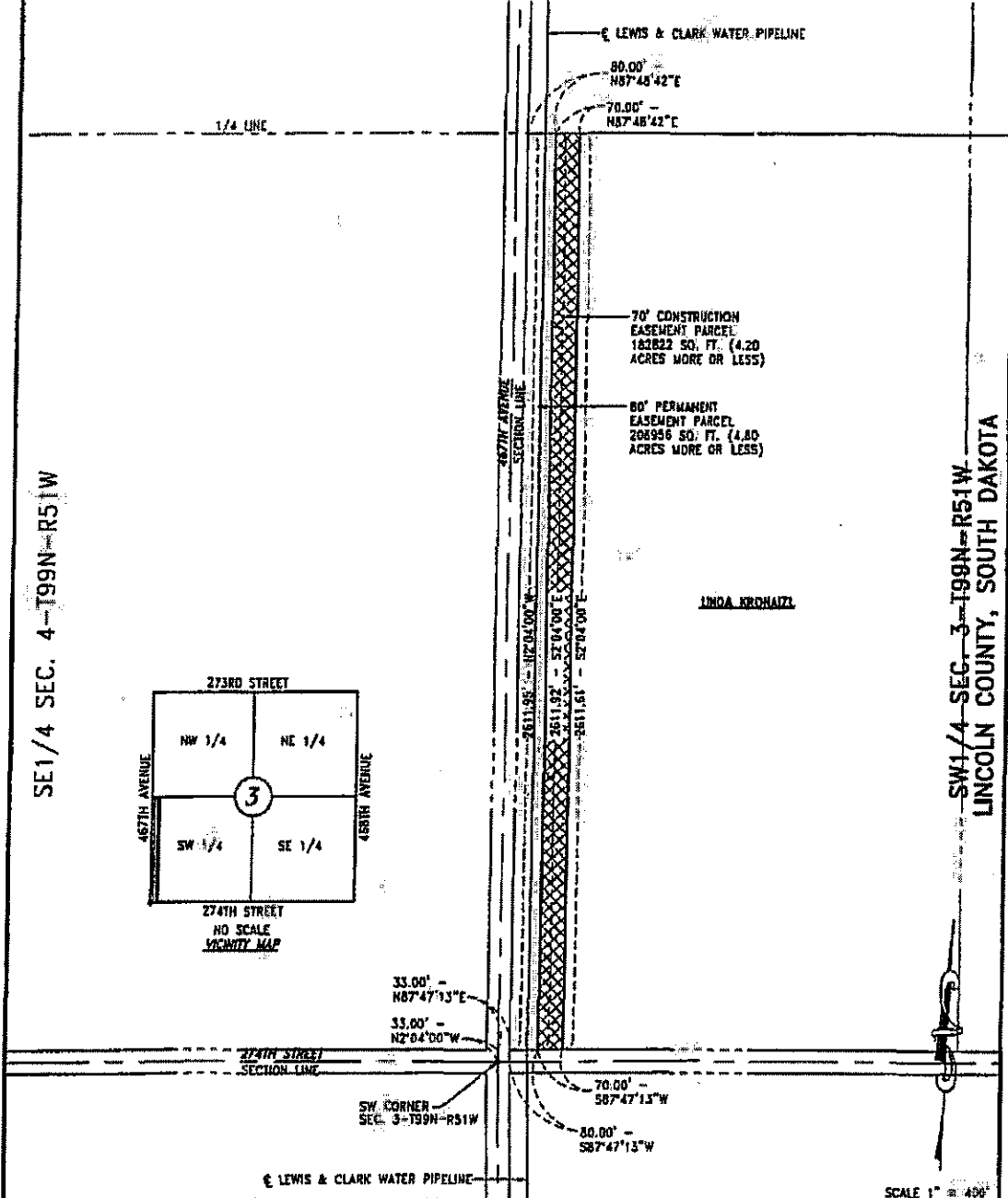


Lori Seten  
Notary Public  
MY COMMISSION EXPIRES: Feb. 6, 2005

PARCEL 199

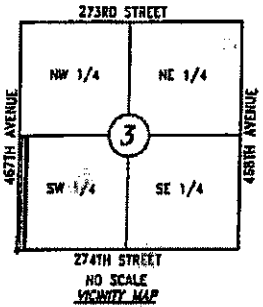
### EXHIBIT A

PERMANENT EASEMENT PARCEL AND CONSTRUCTION EASEMENT PARCEL FOR THE  
SECTION 3, TOWNSHIP 99 NORTH, RANGE 51 WEST, OF THE 5TH P.M., LINCOLN COUNTY, SOUTH DAKOTA



SE 1/4 SEC. 4 - T99N - R51W

SW 1/4 SEC. 3 - T99N - R51W  
LINCOLN COUNTY, SOUTH DAKOTA



LINDA KROHAIZL

SCALE 1" = 400'

DRAWN BY: S.A.H.	JOB NO: 20000.07.01
CHECKED BY: S.O.R.	DATE: 5-16-04

LEWIS & CLARK RURAL WATER SYSTEM  
**EXHIBIT A**

**BANNER**  
BANNER ASSOCIATES, INC. - CONSULTING ENGINEERS & ARCHITECTS  
402 21st Ave. S. • P.O. Box 298 - Brookings, SD 57008 • (605)837-8142

DRAWING NO:  
**1**