

ANTRIM #11

LICENSE FOR UNDERGROUND ELECTRIC DISTRIBUTION LINE

CONSUMERS POWER COMPANY, a Michigan corporation (successor by merger to Consumers Power Company, a Maine corporation), 212 West Michigan Avenue, Jackson, Michigan 49201, hereinafter called "Licensor", for and in consideration of the sum of \$5,108.00, to it in hand paid by TOP O' MICHIGAN RURAL ELECTRIC COMPANY, a Michigan corporation, 1123 East Division, Boyne City, Michigan 49712, hereinafter called "Licensee", the receipt whereof Licensor hereby confesses and acknowledges, and in consideration of the covenants hereinafter specified, hereby grants to Licensee the LICENSE and PERMIT, on the terms and conditions hereinafter mentioned, to enter upon and use certain parcels of land in the Township of Mancelona, County of Antrim, and State of Michigan, for an underground 14.4/24.9 kilovolt 3-phase electric distribution line, said parcels of land being described as follows:

Strip #1: The East 10 feet of the West 20 feet, the Northwesterly 10 feet of the Southeasterly 30 feet, and the South 10 feet of the North 25 feet of the Southeasterly 30 feet of a strip of land 330 feet wide across the Northwest 1/4 of the Southwest 1/4 of Section 25, Township 29 North, Range 6 West, described as follows: To find the place of beginning of this description, commence at the West 1/4 post of said section and run thence South 89° 32' 31" East, along the East-West 1/4 line of said section, 216.92 feet to the place of beginning of this description; thence continuing South 89° 32' 31" East, along said East-West 1/4 line of said section, 741.54 feet; thence South 64° 02' 01" West 1065.11 feet to the West line of said section; thence North 00° 06' 06" West, along said West line of said section, 366.74 feet to a point that is 107.28 feet distant South of the West 1/4 post of said section, as measured along said West line of said section; thence North 64° 02' 01" East 241.06 feet to the East-West 1/4 line of said section and the place of beginning.

Strip #2: A strip of land 10 feet in width across a parcel of land in the Northeast 1/4 of Section 19, Township 29 North, Range 5 West, said parcel being described as: Commencing at the Northeast corner of said section and running thence South 01° 18' 20" East, along the East section line, 1318.59 feet to the North 1/8 line and the point of beginning of this description; thence continuing South 01° 18' 20" East, along said East section line, 215.54 feet; thence South 50° 36' 54" West 1727.93 feet to the East-West 1/4 line; thence North 89° 43' 58" West, along said East-West 1/4 line, 517.14 feet; thence North 50° 36' 54" East 2065.02 feet to the North 1/8 line; thence South 89° 48' 44" East, along said North 1/8 line, 251.69 feet to the point of beginning; and across a parcel of land in the South 1/2 of said Section 19, said parcel being described as: Beginning at the Southwest corner of said section and running thence North 50° 36' 54" East 4103.29 feet to the East-West 1/4 line; thence South 89° 43' 58" East, along said 1/4 line, 517.14 feet to a point that is 58.98 feet from the East 1/8 line; thence South 50° 36' 54" West 4106.25 feet to the South section line; thence North 89° 31' 21" West, along said section line, 514.86 feet to the point of beginning; and across a parcel of land in the Northwest 1/4 of Section 30, Township 29 North, Range 5 West, said parcel being described as: Beginning at the Northwest corner of said section and running thence

South 89° 31' 21" East, along the North section line, 514.86 feet; thence South 50° 36' 54" West 434.02 feet; thence South 64° 02' 01" West 207.00 feet to the West section line; thence North 01° 02' 17" East, along said section line, 370.38 feet to the point of beginning; the center line of said 10-foot-wide strip of land being described as: Beginning at a point that is South 44° East 49 feet from the Northwest corner of said Section 30 and running thence North 86° 04" East 420 feet; thence North 50° 39' East 452 feet to point "A"; thence continuing North 50° 39' East 1319 feet to point "B"; thence continuing North 50° 39' East 2313 feet; thence South 36° East 35 feet to the point of ending.

Strip #3: A strip of land 10 feet in width across a parcel of land in the South 1/2 of said Section 19, said parcel being described as: Beginning at the Southwest corner of said section and running thence North 50° 36' 54" East 4103.29 feet to the East-West 1/4 line; thence South 89° 43' 58" East, along said 1/4 line, 517.14 feet to a point that is 58.98 feet from the East 1/8 line; thence South 50° 36' 54" West 4106.25 feet to the South section line; thence North 89° 31' 21" West, along said section line, 514.86 feet to the point of beginning; the center line of said 10-foot-wide strip of land being described as: Beginning at point "A" described above and running thence North 48° West to the Northwesterly line of said parcel of land.

Strip #4: A strip of land 10 feet in width across a parcel of land in the South 1/2 of said Section 19, said parcel being described as: Beginning at the Southwest corner of said section and running thence North 50° 36' 54" East 4103.29 feet to the East-West 1/4 line; thence South 89° 43' 58" East, along said 1/4 line, 517.14 feet to a point that is 58.98 feet from the East 1/8 line; thence South 50° 36' 54" West 4106.25 feet to the South section line; thence North 89° 31' 21" West, along said section line, 514.86 feet to the point of beginning; the center line of said 10-foot-wide strip of land being described as: Beginning at point "B" described above and running thence South 50° East to the Southeasterly line of said parcel of land.

Licensee also hereby grants to Licensee the license and permit to use, during construction of its underground electric distribution line, strips of land 10 feet in width lying on both sides of the strips of land described above. These temporary rights shall cease upon the completion of the installation of Licensee's electric line.

Licensor grants this License and Licensee accepts this License subject to the following conditions:

1. Licensor shall have the unobstructed use of said land for any purpose in connection with its business or the business of any affiliated company as a public utility. Licensor specifically reserves to itself, its successors and assigns, the right to construct and maintain over, upon, under, and across said land electric lines and pipelines, provided such use so reserved shall not unreasonably interfere with the use of said parcels of land for its underground electric distribution line.

2. No work shall be done in connection with said electric distribution line that shall in any way interfere with or affect or interrupt the continuity of service provided by Licensor's electric lines or pipelines now or hereafter located on said land or the adjoining land.

3. Licensee shall construct and maintain said electric distribution line at its sole expense, and Licensor shall incur no expense as a result of the construction or maintenance to be performed pursuant to this license. In case Licensor finds it necessary to change its towers, poles, pole structures, supports, or other structures now or hereafter located upon the premises or upon the adjoining premises in order to accommodate Licensee's use of the premises, Licensee shall reimburse Licensor for its actual cost and expense incurred thereby.

4. Licensee shall give Licensor at least 5 days notice in advance of the commencement of any construction or maintenance to be performed hereunder, which notice shall be directed to Licensor's Operations Support Manager, Northwestern Region, at Grand Rapids, Michigan, (616) 538-7000. Licensee also shall contact said Operations Support Manager 72 hours in advance of digging under Licensor's electric subtransmission or transmission lines. However, Licensor waives these notice requirements in the case of failure of Licensee's electric distribution line, in which case Licensee shall give Licensor notice of its entry as soon thereafter as possible.

5. Licensee shall contact the Utility Communications System (Miss Dig) (1-800-482-7171) prior to any excavation on the premises, in accordance with MCL 460.701 et seq.

6. Licensee understands that Licensor presently has an electric transmission line located on or near the strips of land described above and that Licensor may erect additional electric lines on or near said land in the future. Licensor shall not be responsible for any electrical interference with Licensee's electric distribution line.

6. No digging shall be done within 15 feet of Licensee's tower legs. Dump trucks shall not lift their beds under Licensee's electric lines. Equipment used in digging shall not swing towards Licensee's towers, poles, or lines. Construction equipment shall maintain a minimum separation of 15 feet from any energized conductor. No equipment having the height potential to contact Licensee's subtransmission or transmission lines shall operate between Licensee's lines. Licensee shall not be responsible for injuries or damages should its electric lines come down due to Licensee's activities on said land.

7. No fill shall be placed permanently under Licensee's electric lines now or hereafter located on said strip of land or the adjoining land without Licensee's prior approval. No fill shall be placed within 20 feet of any electric line towers or poles. Fill shall be compacted enough to permit maintenance vehicles to approach towers and poles. No pocket shall be created in the soil where water could collect around Licensee's structures. Licensee shall take measures to prevent erosion and shall reseed the land after construction is complete.

8. Licensee shall not erect buildings or other above-ground structures on said land and shall not store any materials in, on, or under said land.

9. Licensee shall locate its underground electric distribution line as nearly as possible along the center lines described above and shall bury the line a minimum of 3 feet beneath the surface of said land, measured from the soil surface to the top of said line. Licensee shall install permanent aboveground markers identifying said line along the entire route of said line across Licensor's land and adjacent to each of Licensor's poles and towers.

10. Should damage to Licensee's electric distribution line occur during maintenance of Licensor's lines, Licensor shall not be responsible for the cost of repairing such damage.

11. Licensee shall at all times keep and maintain said premises in a clean and sanitary condition and comply with all laws, rules, and regulations of the United States or its agencies and the laws, rules, and regulations of this state, any regulatory body of the United States or the State of Michigan, or any other governmental or governing body now or hereafter having jurisdiction over the subject matter that are now or may hereafter be made effective. Without limiting the generality of the foregoing, Licensee shall not dispose of any waste material whatsoever upon the land and shall not store, use, or maintain upon said land any material that is or may become hazardous to human health or the environment or the storage, treatment, or disposal of which is regulated by any governmental authority. Licensee shall indemnify and save Licensor harmless from all loss and expense resulting from the failure of Licensee, its agents, contractors, employees, and invitees to comply with the terms of this paragraph.

12. Licensee accepts said premises in their present condition and agrees to keep said premises in a proper and safe condition. Licensee shall at all times during the exercise of the rights and the privileges hereby granted, assume all liability for and protect, indemnify, and save Licensor, its successors and assigns, harmless from and against all actions, claims, demands, judgments, losses, expenses of suits or actions, and attorney fees, for any type of injury to or death of any person or persons and loss or damage to the property of any person or persons whomsoever, including the parties hereto and their agents, contractors, subcontractors, and employees, arising in connection with or as a direct or indirect result of the use and occupancy of the said premises or the exercise of the rights and privileges hereby granted. The provisions of this paragraph shall apply to each and every such injury, death, loss and damage, however caused, whether due, or claimed to be due, to the negligence of Licensee, the negligence of Licensor, the negligence of Licensor and the negligence of Licensee, the negligence of any other person, or otherwise; provided, however, said Licensee shall not be required to indemnify Licensor for such injury, death, loss, or damage caused by Licensor's sole negligence.

13. During the term of this License, Licensee shall, at its sole expense, maintain in full force and effect a policy of Comprehensive General Liability Insurance with a minimum combined bodily injury and property damage single limit of \$500,000, including coverage for underground hazards and underground explosion, which insurance shall either include a Cross Liability Endorsement or not preclude recovery by a named insured as a result of the negligence of any other named insured under said policy. Said policy shall be written by an insurance company authorized to do business in the State of Michigan and shall name Consumers Power Company as an additional insured.

14. Either Licensor or Licensee may terminate this License at any time after the date hereof by giving written notice to the other party. Upon termination of this License, Licensee shall promptly quit said premises; provided, however, that in the event Licensor terminates this License, Licensee may enter the land as necessary for 1 month after such notice of termination to remove Licensee's electric distribution line. Upon termination, Licensor may put out Licensee and each and every other occupant. Licensee hereby waives any claim for damages as a result of such removal.

15. This License is not assignable in whole or in part by Licensee.

16. Any notice required or permitted to be given hereunder shall be in writing and mailed, postage prepaid, by certified or registered U.S. mail, return receipt requested, to the address of the party as set forth in the first paragraph of this License, or such other address

as the party to whom such notice is to be given may specify from time to time by notice to the other party. Notices shall be deemed to have been given when mailed, as evidenced by receipt for said mailing.

17. Licensee's acceptance of this license and construction of its electric distribution line shall be deemed an acceptance of the terms and conditions of this grant.

IN WITNESS WHEREOF, Licensor has caused this License to be executed by its duly authorized representative as of the 7th day of September, 1993.

CONSUMERS POWER COMPANY

By: *D G McClelland*
D G McClelland

Its Manager of General Services

APPROVED AS TO FORM
CONSUMERS POWER COMPANY
LEGAL DEPARTMENT

LICENSE FOR GAS PIPELINES AND
ACCESS ROADWAY

THIS AGREEMENT, Made this 4th day of August, 19 94, Between CONSUMERS POWER COMPANY, a Michigan corporation, 212 West Michigan Avenue, Jackson, Michigan 49201 (successor by merger to Consumers Power Company, a Maine corporation), Licensor, and MERCURY EXPLORATION COMPANY, INC., a Texas corporation, 1619 Pennsylvania Avenue, Fort Worth, Texas 76104, Licensee,

WITNESSETH:

Licensor, for and in consideration of the sum of \$15,560.00 to it in hand paid by Licensee, the receipt whereof is hereby confessed and acknowledged, and of the covenants hereinafter specified, does hereby grant to Licensee the LICENSE and PERMIT to use certain land situate in the Township of Mancelona, County of Antrim and State of Michigan, known and described as follows:

A 20 foot wide strip of land in part of the South 1/2 of the Northeast 1/4 of Section 33, T29N, R6W, lying 10 feet each side of and coincident to the following described center line: Commencing at the East 1/4 corner of said Section 33; thence N 86° 55' W 639.6 feet along the East-West 1/4 line of said Section 33 to the point of beginning; thence N 06° 19' W 73.0 feet; thence N 13° 06' W 187.0 feet; thence N 21° 03' W 109.6 feet; thence N 21° 58' W 119.3 feet; thence S 68° 05' W 99.6 feet; thence S 66° 26' W 86.3 feet; thence S 74° 33' W 49.8 feet; thence S 83° 26' W 54.7 feet; thence N 85° 56' W 231.3 feet; thence N 74° 48' W 63.9 feet; thence N 69° 11' W 126.3 feet; thence N 66° 30' W 100.3 feet; thence N 74° 58' W 261.9 feet; thence N 60° 12' W 43.8 feet; thence N 41° 43' W 25.7 feet; thence N 26° 03' W 32.6 feet; thence N 06° 53' W 280.6 feet; thence N 01° 26' E 382.5 feet; thence N 06° 28' W 62.2 feet; thence N 24° 14' W 47.2 feet to the North 1/8 line of said Section 33 and the point of ending.

A 20 foot wide strip of land in part of the North 1/2 of Section 34, T29N, R6W, lying 10 feet each side of and coincident with the following described center lines: Commencing at the North 1/4 corner of Section 34; thence S 03° 04' 39" W 794.96 feet along the North-South 1/4 line of said section to the Northerly right-of-way of a Consumers Power Company fee strip; thence S 78° 13' 08" W 12.24 feet along said right-of-way to the point of beginning; thence S 01° 56' 40" W 50.35 feet; thence S 10° 40' 46" W 153.55 feet; thence S 24° 27' 53" W 172.58 feet to the Southerly right-of-way of a Consumers Power Company fee strip and the point of ending.

Also: Commencing at the Northeast corner of Section 34; thence S 02° 55' 56" W 64.43 feet along the East line of said section to the northerly right-of-way of a Consumers

Sec. 16 T29N. R6W

Power Company fee strip; thence S 78° 14' 06" W 672.41 feet along said right-of-way to the point of beginning; thence S 03° 41' 01" W 156.41 feet; thence S 28° 59' 18" W 21.76 feet; thence S 01° 01' 37" W 166.90 feet to the southerly right-of-way of a Consumers Power Company fee strip and the point of ending.

A 20 foot wide strip of land in part of the South 1/2 of Section 26, and part of the Northwest 1/4 of Section 35, T29N, R6W, lying 10 feet each side of and coincident to the following described center lines: Commencing at the Northwest corner of said Section 35; thence S 89° 08' E 759.2 feet along the North line of said Section 35 to point of beginning "A", said point being the point of beginning of this description; thence S 64° 02' W 84.2 feet; thence N 89° 08' W 610.3 feet to the Northwesterly right-of-way of the Consumers Power Company fee strip and the point of ending. Also: Commencing at the Southwest corner of said Section 26; thence S 89° 08' E 759.2 feet along the South line of said Section 26 to point of beginning "B", said point being the point of beginning of this description; thence N 64° 02' E 5021.9 feet to the East line of said Section 26 and the point of ending.

A 20 foot wide strip of land in part of the Northeast 1/4 and part of the Southwest 1/4 of Section 25, T29N, R6W, lying 10 feet each side of and coincident to the following described center lines: Commencing at the West 1/4 corner of said Section 25; thence S 89° 33' E 216.9 feet along the East-West 1/4 line of said Section 25; thence S 64° 02' W 22.5 feet along the Northerly line of the Consumers Power Company right-of-way to point of beginning "A", said point being the point of beginning of this description; thence S 89° 33' E 647.1 feet to point of beginning "B"; thence continuing S 89° 33' E 92.9 feet to the Southerly line of the Consumers Power Company right-of-way and the point of ending.

Also: Beginning at said point of beginning "B"; thence S 64° 05' W 919.0 feet to point of beginning "C"; thence continuing S 64° 05' W 18.3 feet to the West line of said Section 25 and the point of ending.

Also: Beginning at said point of beginning "C"; thence S 00°27' E 47.3 feet to the Southerly line of the Consumers Power Company right-of-way and the point of ending.

Also: Commencing at the Northeast corner of said Section 25; thence S 64° 02' W 1947.9 feet along the Northerly line of the Consumers Power Company right-of-way to the point of beginning; thence S 52° 23' E 94.1 feet; thence S 45° 13' E 119.0 feet; thence S 43° 52' E 99.8 feet; thence S 64° 52' E 50.2 feet to the Southerly line of the Consumers Power Company right-of-way and the point of ending.

Also: Commencing at the Northeast corner of said Section 25; thence S 01° 02' W 295.2 feet along the East line of said section to the point of beginning; thence S 64° 02' W 1408.7 feet; thence S 55° 23' W 111.9 feet; thence S 44° 21' W 73.3 feet; thence S 20° 57' W 44.0 feet to the Southerly line of the Consumers Power Company right-of-way and the point of ending.

A 20 foot wide strip of land in part of the Northwest 1/4 of Section 30, T29N, R5W, lying 10 feet each side of and coincident to the following described centerline: Commencing at the Northwest corner of said Section 30; thence S 01° 02' W 295.2 feet along the West line of said section to the point of beginning; thence N 64° 03' E 205.2 feet; thence N 50° 12' E 315.2 feet to the North line of said section and the point of ending.

A 20 foot wide strip of land in part of Section 19, T29N, R5W, lying 10 feet each side of and coincident to the following described center lines: Commencing at the Southwest corner of said Section 19; thence S 89° 31' E 421.3 feet along the South line of said Section 19 to the point of beginning of this description; thence N 50° 12' E 462.0 feet to point of beginning "B"; thence N 51° 05' E 1303.2 feet to point of beginning "C"; thence N 50° 34' E 2301.9 feet to point of beginning "D"; thence N 50°38' E 1881.4 feet to the East line of Section 19 and the point of ending.

Also: Beginning at said point of beginning "B"; thence N 51° 46' W 273.1 feet to the Northwesterly right-of-way of the Consumers Power Company fee strip and the point of ending.

Also: Beginning at said point of beginning "C"; thence N 87° 05' E 88.6 feet to the Southeasterly right-of-way of the Consumers Power Company fee strip and the point of ending.

Also: Beginning at said point of beginning "D"; thence S 49° 34' E 55.7 feet to the Southeasterly right-of-way of

the Consumers Power Company fee strip and the point of ending.

Also: Commencing at the Northeast corner of said Section 19; thence S 01° 18' E 1429.3 feet along the East line of said Section 19 to the point of beginning; thence N 31° 08' W 250.5 feet to the Northwesterly right-of-way of the Consumers Power Company fee strip and the point of ending.

A 20 foot wide strip of land in part of the Northwest 1/4 of Section 20, T29N, R5W, lying 10 feet each side of and coincident to the following described center lines: Commencing at the Northwest corner of said Section 20; thence S 01° 18' E 1464.3 feet along the West line of said section to point of beginning "A", said point being the point of beginning of this description; thence N 50° 37' E 2241.9 feet; thence S 89°54' E 86.5 feet to the Southeasterly line of the Consumers Power Company fee strip and the point of ending.

Also: Commencing at said point of beginning "A"; thence N 50° 37' E 17.6 feet to point of beginning "B", said point being the point of beginning of this description; thence N 31° 08' W 27.8 feet to said West line of Section 20 and the point of ending.

Along with temporary construction rights over a 10-foot wide strip of land on either side of the above-described parcels.

The license hereby conveyed is for the sole and only purpose of constructing, inspecting, repairing, replacing, removing, reconstructing, and maintaining over and across said land no more than three gas pipelines in each above-described 20-foot wide strip of land consisting of one existing 6-inch gas pipeline, and 2 additional gas pipelines one to be a maximum of 4 inches in diameter and the other to be a maximum of 6-inches in diameter. In addition, Licensee may construct two brine pipelines one to be a maximum of 2 inches in diameter and the other to be a maximum of 4-inches in diameter.

All pipelines shall run parallel to the center line of the 20-foot-wide strips of land. If any portion of the above-described parcels shall parallel Licensor's existing electric tower line, then no pipeline shall be closer than 60 feet to the center line of said existing electric tower line. Furthermore, all pipelines shall be buried at a minimum of 3 feet beneath the surface of the land, as measured from the surface of the land to the top of each

pipeline. The access roadway may be located anywhere within the above-described parcels of land.

It is understood that the license herein granted for use of the above-described premises is non-exclusive. Without limiting the foregoing, Licensor expressly retains the right to the use and possession of the premises for its purposes, including, without limitation, electric and gas transmission and distribution lines and all appurtenances used or usable in connection therewith, and the right to enter upon said premises at all times for the purpose of constructing, operating, maintaining and patrolling said lines and constructing and maintaining roadways for the purpose of carrying on such construction, maintenance, operations and patrols.

This license is executed by Licensor and accepted by Licensee subject to the following terms and conditions:

1. Licensee shall contact the Utility Communications System (Miss Dig), telephone number 1-800-482-7171, in accordance with the provisions of Michigan Public Act 53, of 1974, as amended (MCL 460.701 et seq.), prior to any construction or maintenance to be performed hereunder.

2. No work shall be done in connection with the construction or maintenance of the pipelines which shall in any way interfere or threaten to interfere with the towers, poles, wires and other supports and equipment constituting Licensor's electric transmission and/or distribution lines and/or electric control devices or lines, and/or pipelines, as now or hereafter located on or adjacent to the above-described premises, and the pipelines shall be so constructed and maintained as at no time to interfere with the operation or maintenance of any of said electric lines or electric control devices or lines or pipelines, or to in any way affect or interrupt the continuity of service of Licensor as provided by any of said facilities. In case Licensor shall find it necessary to change any pipelines, towers, poles, supports or other structures of Licensor, now or hereafter located on or in the vicinity of said premises, in order to accommodate any work to be done in connection with the gas pipeline, Licensor shall be reimbursed from the funds of Licensee for its actual cost and expense incurred thereby.

3. Any work performed pursuant to this license shall be done at a time which shall least inconvenience Licensor, and at least five days' notice shall be given to Licensor in advance of any entry, either for original construction or for repair or maintenance of the pipelines, which said notice shall be directed to Licensor's Operations Support Manager, Northwestern Region, Grand Rapids, Michigan. In addition, said Operations Support Manager of Licensor shall be notified 72 hours in advance of any digging under Licensor's electric lines, and any such work shall be coordinated with any may be witnessed by, and is subject to review and approval of, Licensor's Northwestern Region engineering personnel. It is understood and agreed, however, that in case of failure of the gas pipelines, the above requirements for advance notice shall be waived by

Licensors, and Licensee may enter immediately upon said land to make such repairs as are necessary to said gas pipelines on the condition that Licensor's Operations Support Manager, Northwestern Region, Grand Rapids, Michigan, is notified as soon as possible of such entry. Licensor may, at its option, observe any of Licensee's work or operations hereunder.

4. All work in any way connected with the pipelines shall be done by and solely at the cost and expense of Licensee. In case Licensor, its successors and assigns, shall, in connection with future building operations or other use or occupancy of any portion of the premises above-described, find it necessary to incur any additional expense by reason of the location of the pipelines upon said premises, Licensee shall thereupon reimburse Licensor, its successors and assigns, for such additional expense so incurred.

5. It is understood that the electric lines now or hereafter located on or in the vicinity of the above-described premises are operated at high voltage, and that no equipment used in connection with the construction or maintenance of the pipelines shall be permitted to come closer to the lines of Licensor than 15 feet, said distance being measured vertically from the highest point of said equipment to the nearest energized conductor, and that at least 15 feet of clearance shall be maintained at all times. Cranes or other excavation equipment shall be operated so that they do not swing toward Licensor's structures, towers, poles or lines. No cranes or any other construction equipment having the height potential of contacting Licensor's electric lines shall be allowed to operate between said lines. Dump truck beds shall not be lifted under Licensor's electric lines. It is further understood and agreed that Licensor shall be relieved of any liability should Licensor's electric lines come down.

6. All excavations made by Licensee shall be properly protected and filled, and that all backfill shall be firmly compacted, and the premises of Licensor shall be left by Licensee in as good condition as before Licensee entered thereon. Licensee agrees that no digging shall be performed closer than 15 feet from any of Licensor's tower legs or closer than 10 feet from any of Licensor's poles. No fill shall be placed permanently under Licensor's electric lines without Licensor's approval. No fill shall be placed within 20 feet of any of Licensor's towers or poles. All fill shall be compacted enough to permit maintenance vehicles access to Licensor's towers and poles. No pocket shall be created around any of Licensor's structures where water could collect. Licensee agrees to use suitable erosion preventative measures and shall re-seed the premises after construction is completed.

7. Licensee agrees that any damage done during maintenance of Licensor's lines or during construction of any new lines of Licensor shall not be the responsibility of Licensor to repair.

8. Licensee agrees to place and maintain permanent aboveground markers to identify the location of the pipelines along the entire route thereof located on Licensor's land. Without limiting the foregoing, such markers shall

be placed adjacent to each of Licensor's towers and poles to show the location of the pipelines in relation to each such tower and pole.

9. It is understood that Licensor shall not be responsible for any electrical interferences.

10. Under no circumstances shall Licensee construct any buildings or other structures (other than pipelines), nor shall Licensee store any materials, on, over or under the licensed premises.

11. Licensee shall not excavate or dig within 15 feet of Licensor's tower legs. The edge of any roadway shall be a minimum of 25 feet from any electric transmission tower leg.

12. All excavations made by Licensee shall be properly protected and filled, and that all backfill shall be firmly compacted, and the premises of Licensor shall be left by Licensee in as good condition as before Licensee entered thereon. No fill shall be placed permanently under Licensor's electric lines without Licensor's approval. No fill shall be placed within 20 feet of any of Licensor's towers or poles. All fill shall be compacted enough to permit maintenance vehicles access to Licensor's towers and poles. No pocket shall be created around any of Licensor's structures where water could collect.

13. This instrument is entered into and granted by Licensor subject to any licenses, leases, easements or other interests in land heretofore granted by Licensor or its predecessors in title on said premises, and to any such interests reserved to other parties in instruments granted to Licensor or its predecessors in title, including, but not limited to, a license for property control purposes running to James and Evelyn Hoot. Licensee shall secure all necessary consents and permits from such licensees, lessees and the owners of such outstanding interests prior to construction of its pipelines.

14. Licensee, at its sole cost and expense, shall secure and maintain in effect all federal, state and local licenses and permits required for the construction, installation, operation, maintenance, repair and/or removal of its pipelines, including, without limitation, zoning, building, health, environmental and communication permits and licenses, and shall indemnify Licensor against all costs therefor and against any fines or penalties that may be levied for failure to procure or to comply with such permits and licenses, as well as any remedial costs to cure violations thereof.

15. Licensee accepts the premises herein referred to in their present condition and subject at all times to such uses as Licensor, its successors and assigns, may make of said premises for its own business or purposes.

16. Licensee hereby covenants and agrees that it will at all times during the exercise of the rights and privileges hereby granted, assume all liability for and protect, indemnify, and save Licensor, its successors and assigns, harmless from and against all actions, claims, demands, judgments,

losses, expenses of suits or actions and attorney fees, for any type of injury to or death of any person or persons and loss or damage to the property of any person or persons whomsoever, including the parties hereto and their agents, contractors, subcontractors and employees, arising in connection with or as a direct or indirect result of the use and occupancy of the premises or the exercise of the rights and privileges granted in connection with the license hereby granted or the license previously granted to Hunting Natural Gas Corporation, a Michigan corporation, by Licensor, dated December 16, 1992. The provisions of this paragraph shall apply to each and every such injury, death, loss and damage, however caused, whether due, or claimed to be due, to the negligence of Licensee, the negligence of Licensor, the negligence of Licensor and the negligence of Licensee, the negligence of any other person, or otherwise; provided, however, said Licensee shall not be required to indemnify Licensor for such injury, death, loss or damage caused by Licensor's sole negligence.

17. It is expressly understood that Licensee will at all times leave said premises in a clean and sanitary condition and shall comply with all laws, rules and regulations of the United States or its agencies and the laws, rules and regulations of this state, and of any other governmental or governing body which may now or hereafter have jurisdiction over the subject matter, which are now or may hereafter be made effective while this license remains in effect. Without limiting the generality of the foregoing, it is expressly agreed that Licensee shall not dispose or suffer to be disposed of any waste material whatsoever upon the premises without the prior written consent of Licensor, and shall not, without the prior written consent of Licensor, use or maintain, or suffer to be used or maintained, upon said premises any material which is or may be or become hazardous to human health or the environment or the storage, treatment, or disposal of which is regulated by any governmental authority. The granting or withholding of any consent of Licensor under the terms of this paragraph shall be within the sole discretion of Licensor and Licensee shall, when requested by Licensor, promptly give to Licensor any information required by Licensor concerning products, substances, or processes used, maintained, or undertaken by Licensee or on its behalf or with its approval upon said premises. Licensee agrees to indemnify and save Licensor, its successors and assigns, harmless from all loss, liability and expense as a result of any failure of Licensee, its agents, contractors, subcontractors or employees, or the predecessors in title to the existing natural gas pipeline on the above-described premises, to comply with the terms of this paragraph.

18. Licensee acknowledges that this instrument is a license and as such is not assignable.

19. Licensee agrees to pay any increased real or personal property taxes assessed as a result of the construction and maintenance of Licensee's gas pipeline.

20. This license may be terminated at any time by either Licensor or Licensee upon written notice to the other party; provided, that in the case of termination by Licensor, Licensee shall be permitted to enter upon the premises

during a three month period following termination for the purposes set forth in the immediately following sentence. By the date of termination, or within three months thereafter if the termination is by Licensor, Licensee shall, at its own expense, remove its gas pipeline and restore the premises to as good condition as before Licensee entered thereon. Should Licensee fail to remove such gas pipeline or any part thereof, and/or fail to restore the premises to their pre-existing condition, within the aforesaid time, then, and without limiting any other rights or remedies of Licensor, (i) any part of the gas pipeline not so removed may, at Licensor's option, be deemed to have been abandoned and to have become Licensor's property, and/or (ii) any part of said gas pipeline not so removed may, at Licensor's option, be removed and disposed of by Licensor as Licensor sees fit and at Licensee's expense, and/or (iii) Licensor may perform the necessary restoration of the premises, at Licensee's expense. In the event of any termination of this license, Licensee will not be entitled to any refund or reimbursement of any consideration paid by Licensee for this license or any sums expended by Licensee pursuant to or in reliance upon this license.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized representatives as of the day and year first above written.

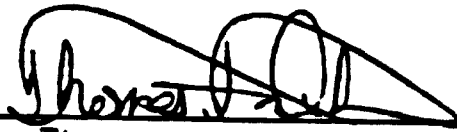
CONSUMERS POWER COMPANY

By 
D G McClelland

Its Manager of General Services

APPROVED AS TO FORM
8.1.94
CONSUMERS POWER COMPANY
LEGAL DEPARTMENT

MERCURY EXPLORATION COMPANY, INC.

By 
Thomas F. Darden

Its President

EASEMENT FOR GAS PIPELINE AND
ACCESS ROADWAY

THIS AGREEMENT, Made this 20th day of May, 1996, Between CONSUMERS POWER COMPANY, a Michigan corporation, 212 West Michigan Avenue, Jackson, Michigan 49201 (successor by merger to Consumers Power Company, a Maine corporation), Grantor, and WILDERNESS ENERGY SERVICES LIMITED PARTNERSHIP, a Michigan limited partnership, 720 South Otsego, Gaylord, Michigan 49735, Grantee,

WITNESSETH:

Grantor, for and in consideration of the sum of \$24,850.00 to it in hand paid by Grantee, the receipt whereof is hereby confessed and acknowledged, and of the covenants hereinafter specified, does hereby grant to Grantee the right and EASEMENT, without any warranty as to title, to use certain land situate in the Township of Mancelona, County of Antrim and State of Michigan, known and described as follows:

Two 10 foot wide strips of land across part of Section 16, Township 29 North, Range 5 West, lying 5 feet each side of and coincident with the following described center lines: Commencing at the West 1/4 corner of Section 16; thence N 00° 23' E, 181.95 feet along the West line of Section 16; thence N 50° 36' E, 398.46 feet along the South side of Consumers Power Company's fee strip to the point of beginning; thence N 38° 31' W, 45.23 feet to a point that is 70 feet Southerly of and normal to the tower center line; thence N 45° 44' E, 1083.66 feet parallel with said center line to a point on the center line of a 10 foot wide easement to the Mancelona I No. A1-16 hydrocarbon well head and the point of ending.

" A" →

ALSO commencing at the West 1/4 corner of Section 16; thence N 00° 23' E, 181.95 feet along the West line of Section 16; thence N 50° 36' E, 398.46 feet along the South side of Consumers Power Company's fee strip; thence N 45° 44' E, 1093.10 feet to a point on the South side of Consumers Power Company's fee strip and the point of beginning; thence N 50° 30' W, 71.43 feet; thence N 20° 19' W, 107.68 feet; thence N 07° 45' E, 53.30 feet; thence N 15° 41' W, 160.31 feet to a point on the North side of Consumers Power Company's fee strip and the point of ending.

" B" →

" C" ↓

ALSO three 10 foot wide strips of land across part of Section 17, Township 29 North, Range 5 West, lying 5 feet each side of and coincident with the following described center lines: Commencing at the Southwest corner of Section 17; thence N 89° 17' E, 1913.68 feet along the South line of Section 17; thence N 49° 20' E, 72.83 feet along the South side of Consumers Power Company's fee strip to the point of beginning; thence N 89° 35' W, 68.49 feet to a point that is 70 feet Southerly of and normal to the tower center line; thence N 49° 20' E, 426.38 feet parallel with

said center line; thence N 49° 20' E, 1072.37 feet; thence S 87° 29' E, 65.76 feet to the point of ending.

"D" → ALSO commencing at the Southwest corner of Section 17; thence N 89° 17' E, 1399.66 feet along the South line of Section 17; thence N 49° 20' E, 86.16 feet along the North side of Consumers Power Company's fee strip to the point of beginning; thence S 89° 35' E, 433.80 feet to the point of ending.

"E" → ALSO commencing at the Southwest corner of Section 17; thence N 89° 17' E, 1399.66 feet along the South line of Section 17; thence N 49° 20' E, 938.59 feet along the North side of Consumers Power Company's fee strip to the point of beginning; thence S 21° 30' E, 301.71 feet to the point of ending.

For the purpose of maintaining, repairing, and/or replacing one existing gas pipeline which is six inches in diameter and an access roadway on, under, or along the above-described land, and for no other purposes. The gas pipeline and any replacement thereof shall run along the center line of the above-described strip of land, and the access roadway is to run parallel with said pipeline and within the described right of way.

Grantor expressly retains the right to the use and possession of the premises for its purposes, including, without limitation, electric and gas transmission and distribution lines and all appurtenances used or usable in connection therewith, and the right to enter upon said premises at all times for the purpose of constructing, operating, maintaining and patrolling said lines and constructing and maintaining roadways for the purpose of carrying on such construction, maintenance, operations and patrols.

This easement is executed by Grantor and accepted by Grantee subject to the following terms and conditions:

1. Grantee shall contact the Utility Communications System (Miss Dig), telephone number 1-800-482-7171, in accordance with the provisions of Michigan Public Act 53, of 1974, as amended (MCL 460.701 et seq.), prior to any work to be performed hereunder.

2. No work shall be done which shall in any way interfere or threaten to interfere with the towers, poles, wires and other supports and equipment constituting Grantor's electric transmission and/or distribution lines and/or electric control devices or lines, and/or pipelines, as now or hereafter located on or adjacent to the above-described premises, and the gas pipeline shall be so maintained as at no time to interfere with the operation or maintenance of any of said electric lines or electric control devices or lines or pipelines, or to in any way affect or interrupt the continuity of service of Grantor as provided by any of said facilities. In case Grantor shall find it necessary to change any pipelines, towers, poles, supports or other structures of Grantor, now or hereafter located on or in the vicinity of said premises, in order to accommodate any work to be done in connection with the gas pipeline, Grantor shall be reimbursed from the funds of Grantee for its actual cost and expense incurred thereby.

3. Any work performed pursuant to this easement shall be done at a time which shall least inconvenience Grantor, and at least 72 hours notice shall be given to Grantor in advance of any entry, which said notice shall be directed to Grantor's Transmission Order Fulfillment personnel at telephone number (616) 530-4340. It is understood and agreed, however, that in case of failure of the gas pipeline, the above requirements for advance notice shall be waived by Grantor, and Grantee may enter immediately upon said land to make such repairs as are necessary to said gas pipeline on the condition that Grantor's Transmission Order Fulfillment personnel are notified as soon as possible of such entry. Grantor may, at its option, observe any of Grantee's work or operations hereunder.

4. All work in any way connected with the gas pipeline shall be done by and solely at the cost and expense of Grantee. In case Grantor, its successors and assigns, shall, in connection with future building operations or other use or occupancy of any portion of the premises above-described, find it necessary to incur any additional expense by reason of the location of the gas pipeline upon said premises, Grantee shall thereupon reimburse Grantor, its successors and assigns, for such additional expense so incurred.

5. It is understood that the electric lines now or hereafter located on or in the vicinity of the above-described premises are operated at high voltage, and that no equipment used in connection with the repair, replacement, or maintenance of the gas pipeline shall be permitted to come closer to the lines of Grantor than 15 feet, said distance being measured vertically from the highest point of said equipment to the nearest energized conductor, and that at least 15 feet of clearance shall be maintained at all times. Cranes or other excavation equipment shall be operated so that they do not swing toward Grantor's structures, towers, poles or lines. No cranes or any other construction equipment having the height potential of contacting Grantor's electric lines shall be allowed to operate between said lines. Dump truck beds shall not be lifted under Grantor's electric lines. It is further understood and agreed that Grantor shall be relieved of any liability should Grantor's electric lines come down.

6. All excavations made by Grantee shall be properly protected and filled, and that all backfill shall be firmly compacted, and the premises of Grantor shall be left by Grantee in as good condition as before Grantee entered thereon. Grantee agrees that no digging shall be performed closer than 15 feet from any of Grantor's tower legs or closer than 10 feet from any of Grantor's poles. No fill shall be placed permanently under Grantor's electric lines without Grantor's approval. No fill shall be placed within 20 feet of any of Grantor's towers or poles. All fill shall be compacted enough to permit maintenance vehicles access to Grantor's towers and poles. No pocket shall be created around any of Grantor's structures where water could collect. Grantee agrees to use suitable erosion preventative measures and shall re-seed the premises after construction is completed.

7. Grantee agrees that any damage done during maintenance of Grantor's lines or during construction of any new lines of Grantor shall not be the responsibility of Grantor to repair.

8. Grantee agrees to place and maintain permanent aboveground markers to identify the location of the gas pipeline along the entire route thereof located on Grantor's land. Without limiting the foregoing, such markers shall

be placed adjacent to each of Grantor's towers and poles to show the location of the gas pipeline in relation to each such tower and pole.

9. It is understood that Grantor shall not be responsible for any electrical interferences.

10. Under no circumstances shall Grantee construct any buildings or other structures (other than the gas pipeline itself), nor shall Grantee store any materials, on, over or under the premises.

11. Grantee shall not excavate or dig within 15 feet of Grantor's tower legs. The edge of any roadway shall be a minimum of 25 feet from any electric transmission tower leg.

12. This instrument is entered into and granted by Grantor subject to any licenses, leases, easements or other interests in land heretofore granted by Grantor or its predecessors in title on said premises, and to any such interests reserved to other parties in instruments granted to Grantor or its predecessors in title. Grantee shall secure all necessary consents and permits from such licensees, lessees and the owners of such outstanding interests prior to construction of its gas pipeline.

13. Grantee, at its sole cost and expense, shall secure and maintain in effect all federal, state and local licenses and permits required for the construction, installation, operation, maintenance, repair and/or removal of its gas pipeline, including, without limitation, zoning, building, health, environmental and communication permits and licenses, and shall indemnify Grantor against all costs therefor and against any fines or penalties that may be levied for failure to procure or to comply with such permits and licenses, as well as any remedial costs to cure violations thereof.

14. Grantee accepts the premises herein referred to in their present condition and subject at all times to such uses as Grantor, its successors and assigns, may make of said premises for its own business or purposes.

15. Grantee hereby covenants and agrees that it will at all times during the exercise of the rights and privileges hereby granted, assume all liability for and protect, indemnify, and save Grantor, its successors and assigns, harmless from and against all actions, claims, demands, judgments, losses, expenses of suits or actions and attorney fees, for any type of injury to or death of any person or persons and loss or damage to the property of any person or persons whomsoever, including the parties hereto and their agents, contractors, subcontractors and employees, arising in connection with or as a direct or indirect result of the use and occupancy of the said premises or the exercise of the rights and privileges hereby granted. The provisions of this paragraph shall apply to each and every such injury, death, loss and damage, however caused, whether due, or claimed to be due, to the negligence of Grantee, the negligence of Grantor, the negligence of Grantor and the negligence of Grantee, the negligence of any other person, or otherwise; provided, however, said Grantee shall not be required to indemnify Grantor for such injury, death, loss or damage caused by Grantor's sole negligence.

16. Grantee agrees to pay any increased real or personal property taxes assessed as a result of Grantee's gas pipeline.

17. It is expressly understood that Grantee will at all times leave said premises in a clean and sanitary condition and shall comply with all laws, rules and regulations of the United States or its agencies and the laws, rules and regulations of this state, and of any other governmental or governing body which may now or hereafter have jurisdiction over the subject matter, which are now or may hereafter be made effective while this easement remains in effect. Without limiting the generality of the foregoing, it is expressly agreed that Grantee shall not dispose or suffer to be disposed of any waste material whatsoever upon the premises without the prior written consent of Grantor, and shall not, without the prior written consent of Grantor, use or maintain, or suffer to be used or maintained, upon said premises any material which is or may be or become hazardous to human health or the environment or the storage, treatment, or disposal of which is regulated by any governmental authority. The granting or withholding of any consent of Grantor under the terms of this paragraph shall be within the sole discretion of Grantor and Grantee shall, when requested by Grantor, promptly give to Grantor any information required by Grantor concerning products, substances, or processes used, maintained, or undertaken by Grantee or on its behalf of with its approval upon said premises.

Grantee agrees to indemnify and save Grantor, its successors and assigns, harmless from all loss, liability and expense as a result of any failure of Grantee or any of its predecessors in title to the subject gas pipeline, or any of their agents, contractors, subcontractors or employees, to comply with the terms of this paragraph.

18. If the easement and rights herein conveyed shall cease to be used by Grantee, its successors and assigns for one year for the purposes hereinabove set forth, then in such event, all right and interest hereby conveyed shall terminate and revert in Grantor, its successors and assigns.

19. The benefits herein shall accrue to and the obligations hereof shall bind the successors and assigns of the respective parties.

20. The acceptance of this instrument by Grantee shall be deemed an acceptance of the terms and conditions of this grant.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized representatives as of the day and year first above written.

WITNESS

Sue E Warren
Sue E Warren

Karen S Malewitz
Karen S Malewitz

Edie M. Hillock
Edie M. Hillock

Rodney L. Schoolcraft
Rodney L. Schoolcraft

CONSUMERS POWER COMPANY

By William J Meadowcroft
William J Meadowcroft

Its General Services-General Supervisor

WILDERNESS ENERGY SERVICES LIMITED PARTNERSHIP

By Wilderness Energy, L.C., General Partner

By Thomas F. Darden
Thomas F. Darden
Its Administrative Manager

APPROVED AS TO FORM
1.8.96
CONSUMERS POWER COMPANY

STATE OF MICHIGAN)
) SS.
COUNTY OF JACKSON)

The foregoing instrument was acknowledged before me this 29th day of May, 1996, by William J Meadowcroft, General Services-General Supervisor II, of CONSUMERS POWER COMPANY, a Michigan corporation, on behalf of the corporation.

Sue E Warren
Sue E Warren
Notary Public, Jackson County, Michigan
My Commission Expires October 16, 1998

STATE OF MICHIGAN)
) SS.
COUNTY OF OTSEGO)

The foregoing instrument was acknowledged before me this 20th day of May, 1996, by Thomas F. Darden, Administrative Manager of Wilderness Energy, L.L.C., a Michigan limited liability Company, on behalf of WILDERNESS ENERGY SERVICES LIMITED PARTNERSHIP, a Michigan limited partnership.

Rodney L. Schoolcraft
Rodney L. Schoolcraft
Notary Public, Otsego County, Michigan
My Commission Expires 1/29/2001

Prepared by Thomas E. Petko
Consumers Power Company
212 West Michigan Avenue
Jackson, MI 49201-2277