



**COLORADO**  
Division of Reclamation,  
Mining and Safety  
Department of Natural Resources

August 5, 2021

Wendi Kern  
Email: [wkern63@gmail.com](mailto:wkern63@gmail.com)

**RE: PCAP; DRMS File No. M-2016-009;  
Encroachment Agreement for Gas Line near 40<sup>th</sup> Lane**

Dear Wendi Kern,

The Division has reviewed the permit file and contacted the operator regarding the encroachment agreement for the haul road crossing the gas line located near 40<sup>th</sup> Lane.

Please find attached to this letter a copy of the signed encroachment agreement between Colorado Interstate Gas Company and Fremont Paving. The agreement was signed in April 2021 and the amendment (AM-1) allowing for construction activities to begin was issued and approved in June 2021.

If you need additional information or have any questions, please contact me at Division of Reclamation, Mining and Safety, 1313 Sherman Street, Room 215, Denver, CO 80203, by telephone at **303-866-3567 x8114**, or by email at [patrick.lennberg@state.co.us](mailto:patrick.lennberg@state.co.us).

Sincerely,

Patrick Lennberg  
Environmental Protection Specialist

Enclosure: Attachment 1 – Signed Encroachment Agreement

cc: Jared Ebert, DRMS



## **Attachment 1**

## ENCROACHMENT AGREEMENT

Legal: Tract 94; SW4NW4 Section 35 Township 21 South Range 63 West

County: Pueblo

State: Colorado

THIS AGREEMENT, made and entered into this 28th day of April, 2021 by and between Colorado Interstate Gas Company, L.L.C., a Delaware limited liability company ("CIG"), with an office at 2 North Nevada, Colorado Springs, CO 80903, and Fremont Paving & Redi-Mix, Inc., a Colorado Corporation whose address is 839 MacKenzie Avenue, Canon City, CO, 81215, ("OWNER").

### WITNESSETH

WHEREAS, Colorado Interstate Gas Company, a General Partnership entered into a certain Right of Way Agreement recorded on April 20, 2009, Pages 1-4, Reception No. 1802527 of the records of the Pueblo County Recorder, State of Colorado, and;

WHEREAS, CIG operates the 248A pipeline and pipeline related facilities (the "CIG Facilities") under the CIG Easement, a portion of which CIG Easement encumbers NW4 of Section 35 Township 21 South, Range 63 West, 6<sup>th</sup> Principal Meridian, Pueblo County, Colorado, as more particularly described on "Exhibit A" (the "Property") and;

WHEREAS, OWNER has acquired the Property and desires to construct on the Property a 60 foot wide Gravel Haul Route Road for a Gravel Pit Haul Route ("Development"), and;

WHEREAS, the CIG Easement is a Fifty foot (50') wide easement along the Property.

WHEREAS, a portion of the haul route road improvements associated with the Gravel Pit on the attached "40<sup>th</sup> Lane and Haul Road Intersection dated 02/01/21 and SUP 2016-007 Regular 112 Permit Boundary Description Sheet 3 of 4, dated 03/23/21, both review CIG date of 03/01/21" will encroach upon the CIG Easement (the "Encroachment Area").

WHEREAS, CIG is hereby willing, at the request of OWNER, to allow OWNER to construct, maintain, operate, inspect, repair, replace, and remove the Encroaching Improvements as the same is shown, described and detailed on the drawing(s) "40<sup>th</sup> Lane and Haul Road Intersection dated 02/01/21 and SUP 2016-007 Regular 112 Permit Boundary Description Sheet 3 of 4, dated 03/23/20, both review CIG date of 03/01/21" marked Exhibit "B" - Pages 1-2, which Exhibit is attached hereto and made a part hereof (the "Plan").

NOW THEREFORE, in consideration of the mutual covenants herein stated, CIG hereby agrees to allow OWNER to construct, maintain, operate, inspect, repair, replace, and remove the Encroaching Improvements (the "Authorized Work"). The permission granted herein is limited exclusively to the Authorized Work, subject to the following express conditions and provisions, which CIG and OWNER expressly acknowledge and agree to fulfill and discharge, to wit:

1. OWNER shall construct, maintain, operate, inspect, repair, replace, and remove the Encroaching Improvements in accordance with CIG's O&M Procedure 204 OM200-29 titled "Guidelines for Design and Construction near Kinder Morgan Operated Facilities", marked Exhibit C - Pages 1-3, is attached hereto and made a part hereof.
2. Except for routine operational and maintenance activities, all work associated with the construction, maintenance, operation, inspection, repair, replacement, and removal of the Residential and Commercial Development (including, without limitation, the Authorized Work) occurring within the CIG Easement shall only be undertaken when a CIG representative is on-site, unless waived by CIG in writing. A CIG representative shall be on-site to monitor any construction activities within twenty-five (25) feet of





**CIG's Facilities.** OWNER shall reimburse CIG for any reasonable and documented direct costs of placing inspectors or representatives employed by CIG to monitor the progress of the Authorized Work. Direct costs may include wages, benefits, living expenses, and vehicle and equipment expenses as set forth in Exhibit "D", attached hereto and made a part hereof. Such costs may be billed to OWNER on a monthly basis. An invoice detailing such charges shall be sent by mail or email to the following:

Fremont Paving & Redi-Mix, Inc.  
839 Mackenzie Avenue  
Canon City, CO 801215  
Office: (719) 275-3264  
Cellular: (719) 529-0916

OWNER shall submit payment to CIG for such invoiced amounts within thirty (30) days of invoice receipt. Such payments shall be sent by mail to the following or in accordance with wire transfer instructions provided by CIG:

Colorado Interstate Gas Company, L.L.C.  
Attn: Terry Sneller  
37351 E. Highway 96  
Pueblo, CO 81006  
Telephone: (719) 948-5263

3. Except for routine operational and maintenance activities, OWNER or its agent shall provide CIG not less than seventy-two (72) hours' advance written notice prior to the commencement of the Authorized Work or any related activity occurring within the CIG Easement, so that CIG may determine and resolve any location, grade or encroachment problems and provide protection of the CIG Facilities and the public before the actual activities take place. The advance written notice (effective when received by CIG) shall be sent by FED EX, UPS, or other nationally recognized overnight courier service) or facsimile to the following:

Colorado Interstate Gas Company, L.L.C.  
Attn: Kevin Hughes  
37351 E Highway 96  
Pueblo, CO 81006  
Telephone: (719) 948-5260

with a copy sent to:

Colorado Interstate Gas Company, L.L.C.  
Attn: Clara Lucero – Land Dept.  
2 N. Nevada Avenue  
Colorado Springs, CO 80903  
Telephone: (719) 520-4816

4. Only the Encroaching Improvements as shown on the attached "40<sup>th</sup> Lane and Haul Road Intersection dated 02/01/21 and SUP 2016-007 Regular 112 Permit Boundary Description Sheet 3 of 4, dated 03/23/21, both review CIG date of 03/01/21" are approved for installation on the CIG Easement. The installation of any other facilities associated with the 60 foot wide Haul Route Road within the CIG Easement must be approved by CIG, in writing, before the construction of the additional improvements begins and, when construction is completed, OWNER promptly shall provide CIG "as-builts" of all improvements installed within the CIG Easement.
5. OWNER shall, at the discretion of CIG incorporate Health ATI "sniffer" Gas Detection Units in the design of paved areas or "Green Belt" areas of CIG right of way. The units shall be installed per Kinder Morgan Standard TYP-V-0100-B010.



6. Except as depicted on the attached Plan, the existing depth of cover over the CIG Facilities shall not be reduced, nor shall existing drainages within or affecting the Encroachment Area be altered without OWNER having obtained CIG's prior written approval.
7. No equipment, material, fill, or spoil shall be stored or stockpiled over or upon the CIG Facilities.
8. Construction of any permanent structure, building(s), or obstructions within the CIG Easement is not permitted, other than the Encroaching Improvements or otherwise approved through the procedures contained within this Agreement.
9. Except as depicted on the attached Plan or provided in detailed drawings and plans reviewed and approved in writing in advance by CIG, OWNER shall not plant or maintain trees or other landscaping on the CIG Easement.
10. Except as depicted on the attached Plan or provided in drawings and plans reviewed and approved in writing in advance by CIG, OWNER shall not install or maintain irrigation equipment (i.e. backflow prevent devices, meters, valves, valve boxes, etc.) on the CIG Easement.
11. Except as depicted on the attached Plan or provided in drawings and plans reviewed and approved in writing and in advance by CIG, OWNER shall not install or maintain any power poles, light standards, etc. on the CIG Easement.
12. OWNER shall advise its contractor(s) of the existence of this Agreement and shall require its contractor(s) to comply with all the requirements imposed by this Agreement upon OWNER, as may be applicable to the contractors' work.
13. The continued integrity of CIG Facilities and the safety of all individuals in the area of the proposed work near CIG Facilities are of the utmost importance. Therefore, OWNER contractor(s) must meet with CIG representatives prior to commencement of construction to provide and receive notification listings for appropriate area operations and emergency personnel. CIG's on-site representative may require discontinuation of any work that, in his or her reasonable opinion, endangers the operations or safety of personnel, pipelines or facilities.
14. OWNER shall be required to comply with all applicable "One-Call" statutes or regulations. The location and elevations of all CIG Facilities on any CIG drawings or plans shall be considered to be approximate and must be field verified by CIG prior to any Authorized Work takes place within the CIG Easement. Before any Authorized Work begins, CIG shall install flagging or other markings to indicate the location of the CIG Facilities, and it thereafter shall be OWNER responsibility to notify CIG if at any time the flagging or other markings are disturbed, in which case all Authorized Work shall immediately cease and shall not resume until CIG has re-located the CIG Facilities. A CIG representative shall be present for all hydraulic excavation within the CIG Easement.
15. Written notification shall be given to CIG at least seventy-two (72) hours before Authorized Work begins. OWNER must provide a schedule of activities for the duration of the Authorized Work at that time to facilitate the scheduling of CIG's on-site representative(s). Any changes to the schedule of the Authorized Work shall promptly be provided to CIG.
16. OWNER shall not allow heavy equipment other than what is listed on "Exhibit D" to cross or operate directly over CIG Facilities. Only wheeled vehicles are cleared to cross the pipeline. No track vehicles without clearance from CIG. Heavy equipment shall only be allowed to cross CIG Facilities at locations designated by CIG. OWNER contractor(s) shall comply with all precautionary measures required by CIG to protect the CIG Facilities. If inclement weather exists, CIG-approved provisions must be made to compensate for soil displacement due to subsidence of tires. If any heavy equipment will be crossing the pipeline during the installation, the maximum axle weight cannot exceed 75,000 pounds and crossing location needs to be provided to CIG prior to crossing.





17. Excavating or grading which might result in erosion or which could render the CIG Easement inaccessible shall not be permitted unless OWNER promptly restores the area to its original condition and provides protection to the CIG Facilities as CIG reasonably shall require.
18. A CIG representative shall be on-site to monitor any Authorized Work or any associated work that takes place within twenty-five (25) feet of the CIG Facilities, unless waived by CIG in advance in writing. Only hand excavation shall be permitted within twenty-four inches (24") of CIG Facilities (refer to state specific rules/regulations regarding any additional clearance requirements). However, OWNER and its contractors shall proceed with extreme caution when within three (3) feet of any CIG Facilities.
19. Temporary support of any CIG pipeline exposed by OWNER or its contractor(s) may be necessary if required by CIG's on-site representative. Backfill below an exposed pipeline and twelve inches (12") above a pipeline shall be replaced with sand or other selected material as approved by the CIG on-site representative and thoroughly compacted in twelve (12) inch lifts to 95% of standard proctor dry density minimum, or as approved by the CIG on-site representative.
20. Any physical contact with any CIG Facilities shall be reported immediately to CIG by telephone, followed up with written notice submitted within twenty-four (24) hours. If repairs to CIG Facilities are necessary, they will be made, inspected, and approved by CIG before any excavations are back-filled.
21. Burning of trash, brush, etc. is not permitted within the CIG Easement.
22. AC Electrical lines must be installed in conduit and properly insulated.
23. United States Department of Transportation (DOT) approved pipeline markers shall be installed so as to indicate the route of any utilities installed by OWNER across the CIG Easement.
24. No power poles, light standards, etc. shall be installed on the CIG Easement.
25. OWNER shall assume all risks for damages, injuries, or loss to either property or persons, which may be incurred by OWNER, its respective agents, invitees, or licensees in any way associated with the Authorized Work.
26. CIG's on-site representative, in the exercise of his or her sole discretion, may immediately suspend or terminate any work or activity not being performed in accordance with this Agreement, until such time as corrective actions reasonably acceptable to the CIG representative are taken. CIG will not be liable to OWNER, its contractors, consultants or any other associated party for any costs or expenses caused by CIG's on-site representative's suspension or termination of said work or activity not being performed in accordance with this Agreement.
27. The Encroaching Improvements approved by this Agreement contain no pipelines or utilities that cross the CIG Facilities. If the location of any future pipelines or utilities serving the Haul Route Road require crossing the CIG Facilities, OWNER must first obtain CIG's written approval of its plans and specifications and enter into a Pipeline Crossing Agreement in a form provided by CIG prior to commencement of any construction or installation of any such pipelines or utilities.
28. OWNER shall indemnify, protect, and hold CIG, its parent, affiliates, subsidiaries, and their respective directors, officers, employees, representatives, and agents harmless from and against any and all actions or causes of action, claims, demands, liabilities, loss, damage, injury (whether to persons or property, including death), suit, proceeding, judgment, cost (including cost or expenses of whatever kind or nature, including but not limited to reasonable attorneys' and experts' fees) arising from or in any way related to the acts or omissions of OWNER or its agents, representatives, contractors, or subcontractors pursuant to this Agreement, including, without limitation, (1) non-compliance with any laws, regulations and orders applicable to the construction, maintenance, operation, inspection, repair, replacement or removal of the OWNER Improvements; and (2) any incidents, acts, releases, negligence, transactions or omissions, or

conditions on or affecting the CIG Easement that would (i) contribute to or constitute a violation of any local, state or federal law, rule, regulation, or judicial order; or (ii) result, in whole or in part, in any requirement to clean up or otherwise remedy or remediate a condition; or (iii) give rise to any lien, liability, injunction, order, restriction, claim, expense, damage, fine or penalty; or (iv) adversely affect human health or the environment; or (v) as a result of any incident, act, action, negligence, transaction, or omission of OWNER in connection with, or incidental to the construction, maintenance, operation, inspection, repair, replacement or removal of the Encroaching Improvements, except where such loss, cost, liability or expense was caused by the negligence of CIG or its employees, agents, invitees or licensees.

29. The provisions of the CIG Easement and all rights, powers, privileges, duties, obligations, and liabilities created thereby, remain in full force and effect and are not affected hereby except to the extent and in the manner set forth herein. CIG represents that it is consenting to the limited encroachment by OWNER as described herein only to the extent that CIG has the right to grant such consent.
30. If any part, term or provision of this Agreement is, by a court of competent jurisdiction or regulatory authority having jurisdiction over the CIG Easement, held to be illegal, void or unenforceable, or to be in conflict with the law of the state which the CIG Easement lies, the validity of the remaining provisions or portion hereof shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this Agreement did not contain the particular part, term, or provision held to be invalid.
31. CIG shall not be financially responsible or liable in any way for repairing any Encroaching Improvements within the CIG Easement due to CIG's maintenance or construction activities. If CIG has to perform maintenance or construction activities within the CIG Easement, CIG shall regrade the disturbed ground to the pre-construction/maintenance condition and reseed the disturbed area.

Except as specifically herein described, all of the terms and conditions of the CIG Easement shall remain in full force and effect. The terms and conditions of this Agreement shall be binding on the parties hereto, their heirs, successors, and assigns.

**IN WITNESS WHEREOF**, the parties hereunto, through their duly-authorized representatives, subscribe their names, as of the date first above written.

Signature page follows



Colorado Interstate Gas Company, L.L.C.,  
a Delaware limited liability company

Signature

Printed Name

Title

THE STATE OF

COUNTY OF

This Instrument was acknowledged before me on this the 28th day of April, 2021  
by M. James Pagonis as Attorney in Fact of Colorado Interstate Gas Company  
on behalf of and as the act of the said entity.

(Seal)

DENISE M TONEY  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID # 20034035390  
MY COMMISSION EXPIRES OCTOBER 17, 2023

10-17-23

Commission Expires

Denise M Toney  
Notary Public



Fremont Paving & Redi-Mix, Inc,  
a Colorado Corporation

Signature

Printed Name

Title

THE STATE OF

COUNTY OF

This instrument was acknowledged before me on this the 29 day of March, 2021,  
by Jodi Schreiber, as CEO of Fremont Paving &

Redi-Mix, Inc., on behalf of and as the act of the said entity.

(Seal)

Commission Expires

Notary Public

COOPER TRAHERN  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20174081334  
MY COMMISSION EXPIRES DECEMBER 15, 2021

This instrument prepared by:  
Clara Lucero  
After recording, return to:  
Colorado Interstate Gas Company, L.L.C.  
Attn: Clara Lucero – Land Dept.  
2 N. Nevada Avenue  
Colorado Springs, CO 80903



## Exhibit "A"

### Legal Description

SW¼NW¼ Section 35 Township 21 South Range 63 West, Pueblo County, Colorado



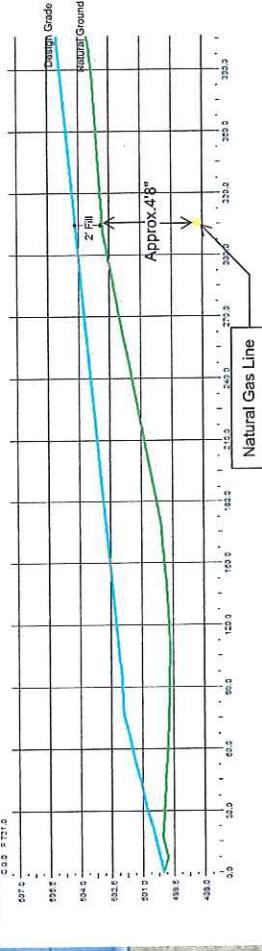
# 40th Lane and Haul Road Intersection 2/1/21

EXHIBIT "B" - Page 1 of 2  
CIG Plan Approval 03/01/2021

Natural Gas Line

Notes:  
All roadway fills will be made with onsite  
material and or crushed aggregates (1"  
minus)

Profile





# **SUP 2016-007 EXHIBIT 3** **REGULAR 112 PERMIT** **PERMIT BOUNDARY DESCRIPTION**

EXHIBIT "B" - PAGE 2 of 2  
 CIG Plan Approval 03/01/2021

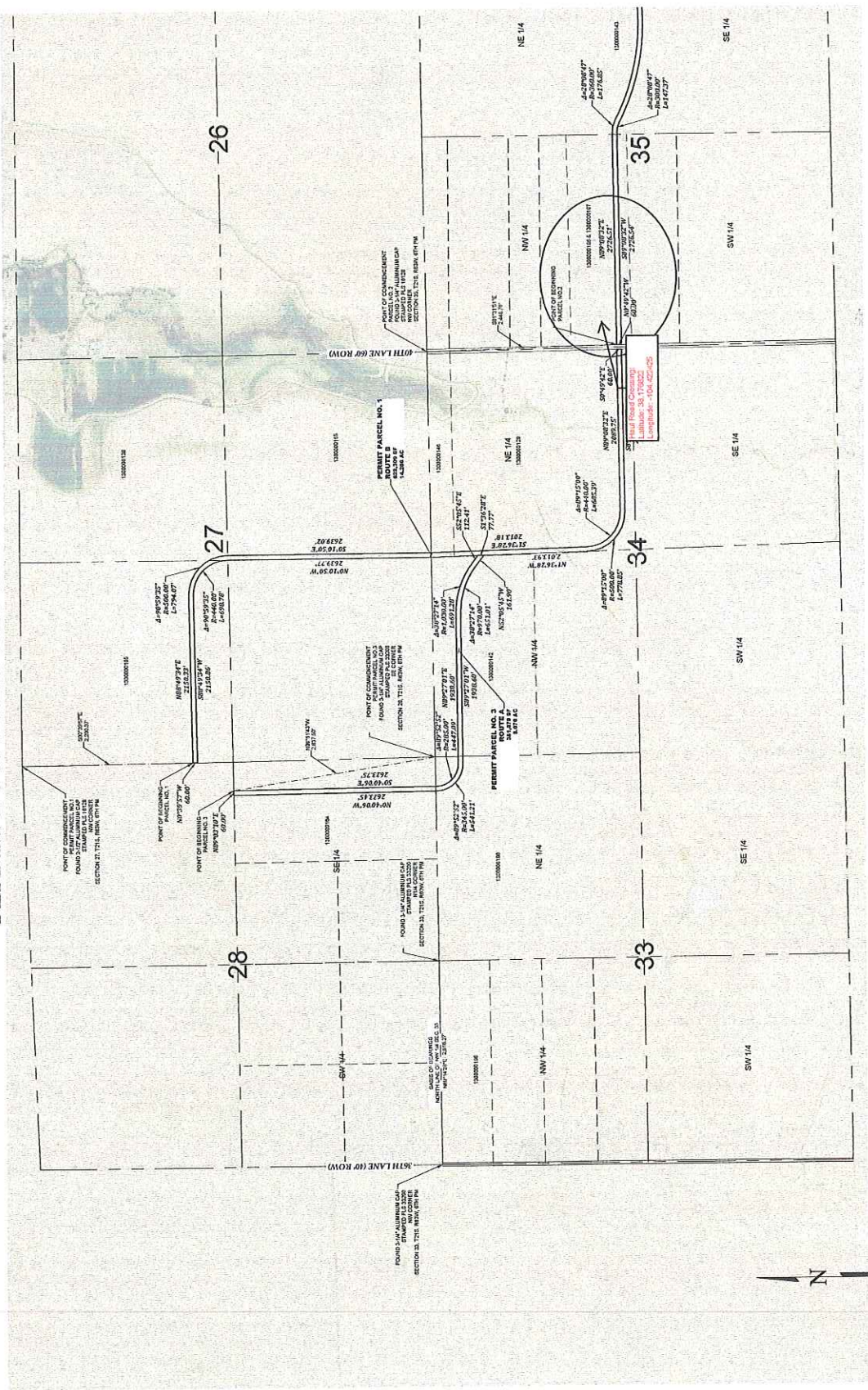
NO.	REVISIONS	DATE

**EDWARD-JAMES SURVEYING, INC.**  
 4732 Eagle Ridge Circle  
 Pueblo, CO 81008  
 Office: (719) 545-6240  
 Fax: (719) 545-6247



**SUP 2016-007 EXHIBIT 3**  
 REGULAR 112 PERMIT  
 PERMIT BOUNDARY DESCRIPTION  
 PUEBLO COUNTY AGGREGATE PROJECT  
 FREIGHT PAYING AND RECHARGE INC.

DRAWN BY	EFF
CHECKED BY	EFF
SCALE	1" = 600'
DATE	05/05/2021
SHEET NO.	3 OF 4



THIS DRAWING DOES NOT REPRESENT A  
 MONUMENTED LAND SURVEY AND IS ONLY  
 INTENDED TO DEPICT THE LEGAL DESCRIPTION.





EXHIBIT "C" - Page 1 of 3



**Guidelines for Design and Construction near  
Kinder Morgan Operated Facilities**

**Name of Company: CIG**

The list of design, construction and contractor requirements, including but not limited to the following, for the design and installation of foreign utilities or improvements on CIG (Company) right-of-way (ROW) are not intended nor do they waive or modify any rights Company may have under existing easements or ROW agreements. Reference existing easements and amendments for additional requirements. This list of requirements is applicable for Company facilities on easements only. Encroachments on fee property should be referred to the Land and Right-of-Way Department.

**Design**

- Company shall be provided sufficient prior notice of planned activities involving excavation, blasting, or any type of construction on Company's ROW to determine and resolve any location, grade or encroachment problems and provide protection of our facilities and the public before the actual work is to take place.
- Encroaching entity shall provide Company with a set of drawings for review and a set of final construction drawings showing all aspects of the proposed facilities in the vicinity of Company's ROW. The encroaching entity shall also provide a set of as-built drawings showing the proposed facilities in the vicinity of Company's ROW.
- Only facilities shown on drawings reviewed by Company will be approved for installation on Company's ROW. All drawing revisions that effect facilities proposed to be placed on Company's ROW must be approved by Company in writing.
- Company shall approve the design of all permanent road crossings.
- Encroaching entity shall, at the discretion of the Company, incorporate Heath ATI "sniffer" Gas Detection Units in the design of paved areas or "Green Belt" areas of Company ROW. The units shall be installed per Company Standard TYP-V-0100-B010 – Gas Detection Unit for Pipelines Located under Asphalt or Concrete Parking Areas.
- Any repair to surface facilities following future pipeline maintenance or repair work by Company will be at the expense of the developer or landowner.
- The depth of cover over the Company pipelines shall not be reduced nor drainage altered without Company's written approval.
- Construction of any permanent structure, building(s) or obstructions within Company pipeline easement is not permitted.
- Planting of shrubs and trees is not permitted on Company pipeline easement.
- Irrigation equipment i.e. backflow prevent devices, meters, valves, valve boxes, etc. shall not be located on Company easement.
- Foreign line, gas, water, electric and sewer lines, etc., may cross perpendicular to Company's pipeline within the ROW, provided that a minimum of two (2) feet of vertical clearance is maintained between Company pipeline(s) and the foreign pipeline. Constant line elevations must be maintained across Company's entire ROW width, gravity drain lines are the only exception. Foreign line crossings below the Company pipeline must be evaluated by Company to ensure that a significant length of the Company line is not exposed and unsupported during construction. When installing underground utilities, the last line should be placed beneath all existing lines unless it is impractical or unreasonable to do so. Foreign line crossings above the Company pipeline with less than two (2) feet of clearance must be evaluated by Company to ensure that additional support is not necessary to prevent settling on top of the Company natural gas pipeline.
- A foreign pipeline shall cross Company facilities at as near a ninety-degree angle as possible. A foreign pipeline shall not run parallel to Company pipeline within Company easement without written permission of Company.
- The foreign utility should be advised that Company maintains cathodic protection on their pipelines. The foreign utility must coordinate their cathodic protection system with Company's. At the request of Company, foreign utilities shall install (or allow to be installed) cathodic protection test leads at all crossings for the purposes of monitoring cathodic protection. The Company Cathodic Protection (CP) technician and the foreign utility CP technician shall perform post construction CP interference testing. Interference issues shall be resolved by mutual agreement between foreign utility and Company. All costs associated with the correction of cathodic protection problems on Company pipeline as a result of the foreign utility crossing shall be borne by the foreign utility for a period of one year from date the foreign utility is put in service.



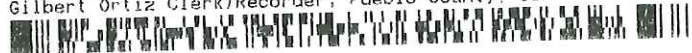


EXHIBIT "C" - Page 2 of 3  
**KINDER MORGAN**

**Guidelines for Design and Construction near  
Kinder Morgan Operated Facilities**

- The metallic foreign line shall be coated with a suitable pipe coating for a distance of at least 10-feet on either side of the crossing unless otherwise requested by the Company CP Technician.
- AC Electrical lines must be installed in conduit and properly insulated.
- DOT approved pipeline markers shall be installed so as to indicate the route of the foreign pipeline across the Company ROW.
- No power poles, light standards, etc. shall be installed on Company easement.

**Construction**

- Contractors shall be advised of Company's requirements and be contractually obligated to comply.
- The continued integrity of Company's pipelines and the safety of all individuals in the area of proposed work near Company's facilities are of the utmost importance. Therefore, contractor must meet with Company representatives prior to construction to provide and receive notification listings for appropriate area operations and emergency personnel. Company's on-site representative will require discontinuation of any work that, in his opinion, endangers the operations or safety of personnel, pipelines or facilities.
- The Contractor must expose all Company transmission and distribution lines prior to crossing to determine the exact alignment and depth of the lines. A Company representative must be present. In the event of parallel lines, only one pipeline can be exposed at a time.
- Company will not allow pipelines to remain exposed overnight without consent of Company designated representative. Contractor may be required to backfill pipelines at the end of each day.
- A Company representative shall do all line locating. A Company representative shall be present for hydraulic excavation. The use of probing rods for pipeline locating shall be performed by Company representatives only, to prevent unnecessary damage to the pipeline coating.
- Notification shall be given to Company at least 72 hours before start of construction. A schedule of activities for the duration of the project must be made available at that time to facilitate the scheduling of Company's work site representative. Any Contractor schedule changes shall be provided to Company immediately.
- Heavy equipment will not be allowed to operate directly over Company pipelines or in Company ROW unless written approval is obtained from Company. Heavy equipment shall only be allowed to cross Company pipelines at locations designated by Company. Contractor shall comply with all precautionary measures required by Company to protect its pipelines. When inclement weather exists, provisions must be made to compensate for soil displacement due to subsidence of tires.
- Excavating or grading which might result in erosion or which could render the Company ROW inaccessible shall not be permitted unless the contractor/developer/owner agrees to restore the area to its original condition and provide protection to Company's facility.
- A Company representative shall be on-site to monitor any construction activities within 25-feet of a Company pipeline or aboveground appurtenance. The contractor shall not work within this distance without a Company representative being on site. Only hand excavation shall be permitted within a minimum of 18-inches (refer to state specific rules/regulations regarding any additional clearance requirements) of Company pipelines, valves and fittings. However, proceed with extreme caution when within three (3) feet of the pipe.
- Ripping is only allowed when the position of the pipe is known and not within 10-feet of Company facility unless Company representative is present.
- Temporary support of any exposed Company pipeline by Contractor may be necessary if required by Company's on-site representative. Backfill below the exposed lines and 12-inches above the lines shall be replaced with sand or other selected material as approved by Company's on-site representative and thoroughly compacted in 12-inches lifts to 95% of standard proctor dry density minimum or as approved by Company's on-site representative. This is to adequately protect against stresses that may be caused by the settling of the pipeline.





EXHIBIT "C" - Page 3 of 3

## KINDER MORGAN

### Guidelines for Design and Construction near Kinder Morgan Operated Facilities

- No blasting shall be allowed within 1000-feet of Company's facilities unless blasting notification is given to Company including complete Blasting Plan Data. A pre-blast meeting shall be conducted by the organization responsible for blasting.

Company shall be indemnified and held harmless from any loss, cost of liability for personal injuries received, death caused or property damage suffered or sustained by any person resulting from any blasting operations undertaken within 500-feet of its facilities. The organization responsible for blasting shall be liable for any and all damages caused to Company's facilities as a result of their activities whether or not Company representatives are present. Company shall have a signed and executed Blasting Indemnification Agreement before authorized permission to blast can be given.

No blasting shall be allowed within 300-feet of Company's facilities unless blasting notification is given to Company a minimum of one week before blasting. *(Note: covered above)* Company shall review and analyze the blasting methods. A written blasting plan shall be provided by the organization responsible for blasting and agreed to in writing by Company in addition to meeting requirements for 500-feet and 1000-feet being met above. A written emergency plan shall be provided by the organization responsible for blasting. *(Note: covered above)*

- Any contact with any Company facility, pipeline, valve set, etc. shall be reported immediately to Company. If repairs to the pipe are necessary, they will be made and inspected before the section is re-coated and the line is back-filled.
- Company personnel shall install all test leads on Company facilities.
- Burning of trash, brush, etc. is not permitted within the Company ROW.

**Exhibit "D"**

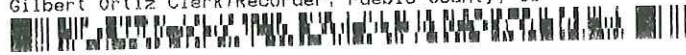
**Inspection Rates**

**Labor (Weekly Rate): \$3,994.00 per Week**

**Expenses (Daily Rate): \$125.00 per day**

**Vehicle (Mileage Rate): \$0.56 per mile**





## **EXHIBIT "E" – Page 1 of 1**

### **Heavy Equipment**

1. CAT 140H
2. CAT 140M
3. Kenworth Semi with belly dump