Southern Natural Gas Company Post Office Box 2563 Birmingham AL 35202 2563 205 325 7410 Prepared by: Don Estes Southern Natural Gas Co. P. O. Box 2563 Birmingham, AL 35202

SOURCE OF TITLE: Deed Book 141, Page 58, Shelby Co. Records

SOUTHERN NATURAL GAS

October 23, 1998

Mr. Robert W. Lindsey Lindsey Development Company, LLC 2223 1st Avenue, North Birmingham, Alabama 35203 11 = 10 AM CERTIFIED (11 = 10 AM CERTIFIED (11 = 10 AM CERTIFIED (11 = 10 AM) JUNE OF PROBATE (13 = 10 AM) JUNE OF PROBATE (14 = 10 AM) JUNE OF PROBATE (15 = 10 AM) JUNE (15 = 10 AM) JU

SUBJECT: LINDSEY DEVELOPMENT COMPANY, LLC'S PROPOSED PAVED STREETS ACROSS SOUTHERN NATURAL GAS COMPANY'S 6-INCH BESSEMER-CALERA BRANCH LINE & 8-INCH BESSEMER-CALERA BRANCH LOOP LINE AT M.P. 31.10+/-, SHELBY COUNTY, AL

Dear Mr. Lindsey:

Reference is made to those certain plans prepared by R. C. Farmer and Associates, Inc., showing Lindsey Development Company, LLC's (Developer) plans to construct paved streets (Streets) across Southern Natural Gas Company's (Southern) 6-inch Bessemer-Calera Branch Line and 8-inch Bessemer-Calera Branch Loop Line (Pipelines) and right of way (Right of Way), M.P. 31.093 and M. P. 31.186, in Sections 25 and 36, TS21S, R3W, Shelby County, Alabama.

Southern has reviewed said plans and has determined, on the basis of a field inspection, that no adjustments to the Pipelines will be necessary to accommodate the construction of the Streets. Southern agrees to grant permission for the Streets to be constructed across the Pipelines and Right of Way upon certain terms and conditions. Therefore, in consideration of the premises and the mutual benefits, covenants, and agreements hereinafter set forth, Southern and Developer agrees as follows:

- 1. Southern agrees that Developer may construct the Streets, identified as Sunset Trace and Sunrise Court, across Southern's Pipelines and Right of Way as shown on the drawing identified as Plan and Profile, Drawing No. 4662RCK, Pages 11 and 12 of 18, dated May 15, 1998, for Stage Coach Trace (Drawing), attached as "Exhibit A" hereto and made a part of this Agreement.
- 2. Developer agrees to apply to Southern's Transmission Superintendent, at the address given below, for approval to construct any utilities across Southern's Pipelines and Right of Way in the area of the roadway and to comply with any requirements for such utility crossings, as requested by Southern's Transmission Superintendent.

- Developer agrees to be responsible for all costs incurred by Southern as a result of any future or further changes, adjustments, improvements, or corrections to the Streets not shown in the Drawings, which Southern, in its sole judgment, determines may affect the Pipelines or any of Southern's facilities, whether now in existence or installed in the future.
- 4. In the event Southern performs construction or maintenance activities on its Right of Way in the future, Southern shall have the right to cut the pavement of the Streets. Developer agrees to perform all necessary repairs to the Streets and utilities at its sole cost and risk.
- 5. Developer agrees that it will not diminish, raise, or otherwise alter the proposed grade of the Streets, as set forth in the Drawings, over the Pipelines without the prior written approval of Southern.
- 6. Southern, by agreeing to the construction of the Streets, does not relinquish any of its rights, titles, or interest in or to its existing Right of Way.
- 7. Developer shall notify Southern's Transmission Superintendent, at the address given below, at least three (3) days prior to the commencement of any work on the Streets or in and around Southern's Pipelines or Right of Way, in order that Southern may have a representative present, at its option, throughout construction activities.
- 8. Developer will give advance notice of all future work to be performed in and around Southern's Pipelines or Right of Way, so that a field inspection and survey can be performed to determine if adjustments will be required to Southern's facilities, and any work shall not commence prior to obtaining Southern's agreement permitting the work to be done in its Right-of-Way.
- Developer shall carry, or cause its contractors and subcontractors to carry, at its/their own expense, in reliable insurance companies satisfactory to Southern, insurance to cover its obligations and liabilities under this agreement, including, but not limited to, Worker's Compensation Insurance with employer's Liability coverage, General Liability Insurance with Contractual Liability coverage, and Automobile Liability Insurance. Developer further agrees that all policies of insurance which are intended to cover any liabilities, expenses, losses, claims, costs (including attorney's fees), suits, and causes of action incurred hereunder shall be properly endorsed to waive the insurer's rights of subrogation, under any such policies, against Southern.
- 10. By granting its consent to the Developer for the construction of the Streets, it is understood that Southern does not assume any additional responsibility for the protection, operation and maintenance of the Pipelines.
- 11. In consideration of such consent, the Developer agrees to protect, indemnify and hold harmless Southern, Southern's directors, officers, agents, employees, representatives, contractors, and sub-contractors from and against any and all claims, demands, actions, expenses (including court costs and attorney's fees), losses, damages, causes of action, and liability based on damage to property owned by the parties hereto or third parties and for, or based on, injury to or death of the parties hereto or third parties, arising out of or in connection with the use, maintenance, or construction of the roadway by the Developer,

except to the extent such claims, demands, actions, expenses, losses, damages, causes of! action, and/or liabilities are caused by the sole negligence of Southern.

- The provisions of this Agreement apply to Developer as well as to Developer's contractors, subcontractors, agents, representatives, employees, or whomsoever Developer may instruct or hire to perform the activities contemplated herein, and Developer shall assume responsibility for all such persons performing work in accordance with the terms of this Agreement.
- 13. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon Southern and the Developer and their respective successors and assigns.

If this correctly sets forth the agreement between Southern and the Developer, please have both originals executed in the space below and return both originals to me at Southern Natural Gas Company for further handling. Upon execution by Southern, one fully executed original of this Agreement will be returned to Developer for its records.

Your cooperation in this matter is sincerely appreciated.

Yours very truly,

SOUTHERN NATURAL GAS COMPANY

Don Estes

Encroachment Coordinator

ACCEPTED AND AGREED to this 10 day of 100, 199_28

LINDSEY DEVELOPMENT COMPANY, LLC

CC:

DE:lbt

Mr. C. W.(Cy) Harper, Transmission Superintendent

SOUTHERN NATURAL GAS COMPANY

666 Springdale Road

Tarrant, Alabama 35217

205/ 325- 7551

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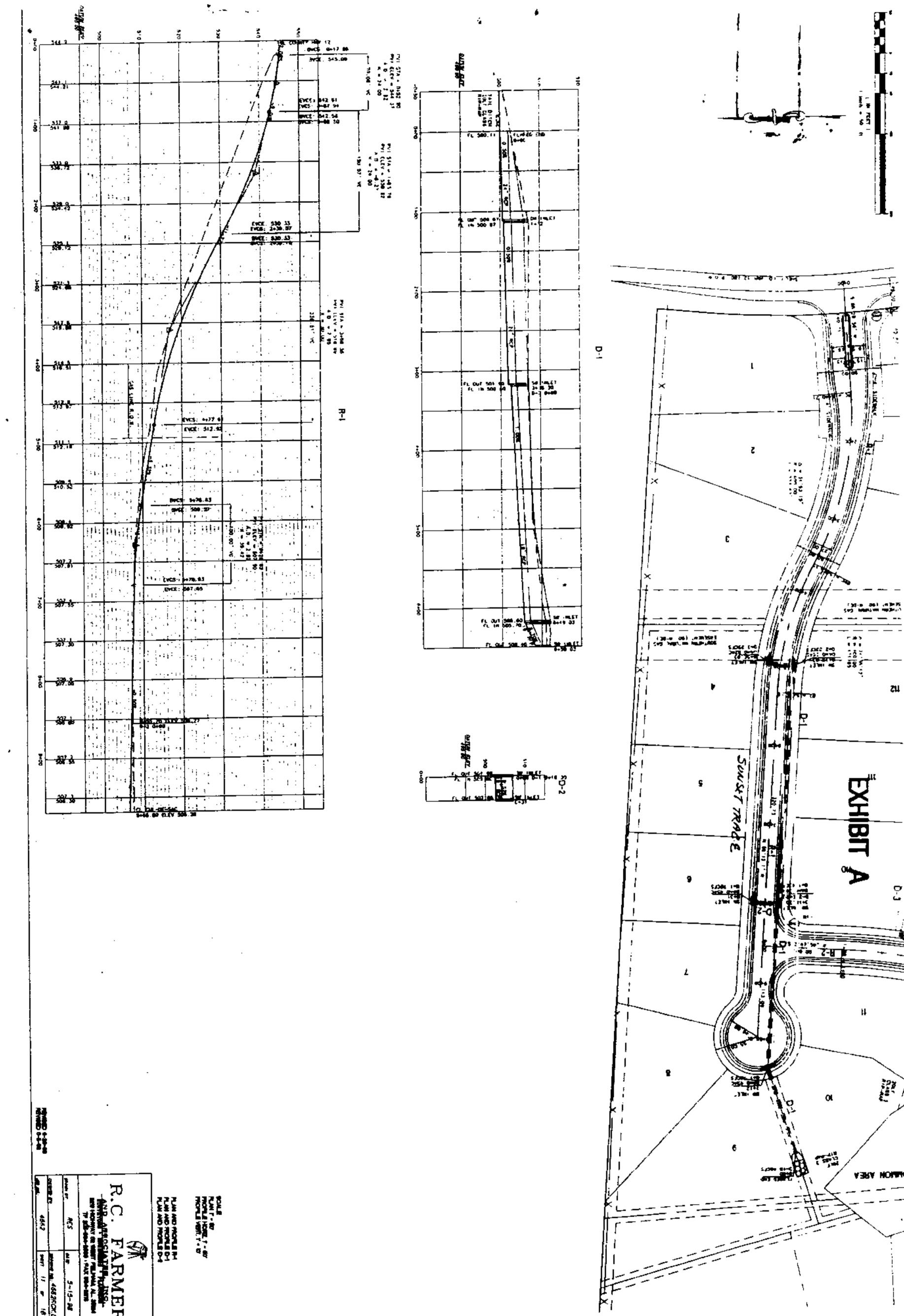
COUNTY OF JEFFERSON

On this the 23 day of Octobe 1998, before me appeared Don Estes, to me personally known, who, by me was duly sworn and did say that he is the Encroachment Coordinator of Southern Natural Gas Company and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument to be the free act and deed of said corporation and in the capacity therein stated.

In witness whereof, I have hereunto set my official hand and seal on the date herein above written.

My Commission Expires

(seal)



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