SUBORDINATION ACREMENT

THIS INDENTURE, made this 15th day of February 1985, by and between NORTHERN NATURAL CAS COMPANY, a Division of Internorth, Inc., hereinafter called the Company, a corporation organized and existing under the laws of the State of Delaware, and the UNITED STAYES OF AMERICA, hereinafter called the Government; WITHESSETH:

whereas, the Government has, under the authority of the Flood Control Act of 1968 (Public Law 90-483) and the Energy and Water Development Act of 1981 (Public Law 96-367), undertaken the development of a Dam and Reservoir Project, known as the Papillion Creek Flood Protection Project, Dam Site 18, on the Papillion Creek and Tributaries (hereinafter called the Project); and

WHEREAS, the Company is the holder of certain easement rights and interests in land on which the Company has constructed and is operating and maintaining certain facilities, consisting of underground gasline facilities, which interfere with the development and use of the Project by the Government; and

WHEREAS, on the 9th of April, 1984, an agreement, Relocation Contract No. DACW45-84-C-0004, was entered into by and between the Company and the Government for the alteration of facilities of the Company, which arrangement provided further that the Company subordinate by separate instrument to the rights of the Government to cause seepage and flooding permanently or intermittently to certain properties within the Company's holdings not conveyed to the Government.

NOT THEREFORE, in consideration of the sum of One Dollar (\$1.00) in hand paid, and other further valuable consideration, as set forth in Contract No. DACW45-84-C-0004, the Company does hereby subordinate its rights in said land herein described and set forth to the perpetual and permanent right of the Government and its assigns to permanently or intermittently flood said land to an elevation of 1128.1 feet mean sea level. Said land is described further, to wit:

A strip of land situated in the E½E½SW½ of Section 33, Township 15 North, Range 11 East of the Sixth Principal Meridian, Douglas County, Nebraska, said strip being 60.00 feet in width, lying 30.00 feet on each side of the following described centerline: Beginning at a point, said point being 33.00 feet North of and 2,583.00 feet East of the Southwest corner of said Section 33; thence North 00°35'00" East, 168.00 feet; thence North 29°35'00" West, 756.00 feet; thence North 00°30'00" East, 1,055.00 feet; thence North 43°47'00" East, 523.00 feet; thence North 00°10'00" West, to the North line of said E½E½SW½, and being the point of termination. The exterior boundaries of said strip are lengthened or shortened, as the case may be, to coincide with (1) the South line of said E½E½SW½ on the South, and (2) the said North line of the E½E½SW½ on the North. Excepting therefrom that portion lying above contour elevation 1,128.2 m.s.1.

The tract of land herein described contains 3.17 acres, more or less.

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EXCEPT that notwithstanding the subordination, the Company retains its rights granted by easements to maintain the pipeline in the present location.

IN WITHESS WHEREROF, the Company has caused these presents to be executed in its name and on its behalf and its seal to be affixed on the day and year last written.

STATE OF MEBRASKA

STATE OF MEBRASKA

Title:

C. W. Radda

Title:

Vice President

STATE OF MEBRASKA

Secondary

The within and foregoing instrument was acknowledged before me this Sth.

day of February

as I. February

as Ass't Secretary

of Northern Natural Cas Company, a

Delaware Corporation.

Witness my hand and official seal.