



July 13, 2015

Troy C. Schaff
1514- 41st Ave. S
Fargo, ND 58104

RE: Reclassification of Pipeline

To Mr. Schaff:

Pursuant to the above described easement, Hiland Crude, LLC (formerly named Banner Transportation Company) ("Hiland") constructed a crude oil pipeline on your property in 2014. Hiland is in the process of making changes [to other portions of this crude oil pipeline not located on your property] which will result in a change in the regulatory treatment of this crude oil pipeline.

As a result of the above, this crude oil pipeline will be subject to certain North Dakota laws and regulations which previously did not apply. This includes North Dakota Century Code §49-22-05.1 and North Dakota Administrative Code §69-06-08-02 which provide for certain areas located within the vicinity of this pipeline being designated as "avoidance areas." One such geographical avoidance area is the area within 500 feet of an occupied residence. Since there is an occupied residence on the property which is subject to the above referenced easement within 500 feet of Hiland's crude oil pipeline, Hiland is notifying you of this fact. The significance of an "avoidance area" is that in routing transmission facilities (including crude oil pipelines that qualify as transmission facilities), these areas are to be avoided unless there is no reasonable alternative. Since the crude oil pipeline is already built and in operation on your property, Hiland believes there clearly is no reasonable alternative.

Given that there is an inhabited residence on your property within 500 feet of Hiland's crude oil pipeline, Hiland is requesting that you, as owner of such residence, acknowledge that you do not object to the placement of this pipeline within 500 feet of such residence. While Hiland believes this acknowledgment already exists by reason of the existing easement with you, Hiland requests that you confirm this acknowledgment by signing in the space provided below. In addition, the execution of this letter by you is not a release of Hiland's obligations to you under the above described easement. If you have any questions regarding this matter, please contact me at 701-572-4523 Ext. 1132

Sincerely,

Steve Weatherhead
Project Manager Landman
Diamond Resources

Accepted and Agreed to this

15th day of July, 2015



Troy C. Schaff
PR of the Lewis Keith Green Estate