


April 18, 1998

Keya Paha Community Pipeline, Inc.

Policies

1. The Board of Directors shall appoint a person as Registered Agent for the Corporation.
2. The office of the corporation shall be at same address as that of the Registered Agent unless another office is established by Board of Directors.
3. Bi-annual reports will be submitted to Nebraska Secretary of State by corporation. Said report must be signed by an officer of corporation.
4. Any person who owns, leases or manages land served by the pipeline will be eligible for membership and one vote.
5. Other persons who have an interest in the land being served by pipeline; such as, family members and/or partners, may be eligible for membership, however, they may vote only when they are sole representatives of a tract of land present at a meeting. In other words, only 1 vote per tract of land.
6. A member may be suspended or expelled for non-payment of dues and/or assessments and misuse or inappropriate use of pipeline water.
7. The annual meeting of corporation will be held between March 1 and April 30. Members will be notified at least two (2) weeks prior to meeting.
8. A member may designate a person to serve as his/her representative at meetings if the member is unable to attend.
9. I - Each member will monitor water use so that no water is wasted. Floats are to be used in tanks to control flow.
10. II - Each member is responsible for maintaining and repairing pipelines, leading from main pipeline to tanks and hydrants on land they control. The corporation is responsible for maintaining wells and main pipeline.
11. III - In addition to annual rate established each year by the Board of Directors for each hydrant, a special assessment may be made by the Board to cover well repairs and other unforeseen expenses.

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12. IV - Water may be provided to a member's principal residence if approved by the Board of Directors. There will be an initial fee of \$200 to connect a house to pipeline which is to be paid at time of connection plus the member must pay all expenses related to connecting to pipeline. In addition, there will be a monthly water use fee established each year by the Board of Directors.
 13. Requests for Expansion of the pipeline to serve additional real-estate or to add additional outlets, must be approved by the Board of Directors.
 14. The tanks on the pipeline are the property of the corporation. The corporation has the right to enter any properties served by the pipeline to monitor water use and/or inspect pipeline route. Any additional or replacement tanks will be the responsibility of member land owner.
 15. The Board can regulate water use and impose penalties for any actions that contributes to excessive water use.
 16. No water from pipeline is to be used for watering lawns, trees or gardens.
 17. Fees for water are due at annual meeting. If a member is unable to attend meeting, a bill will be sent to that member soon after the meetings.
 18. If a member discovers that there is no water being delivered through pipeline, he/she should report it as soon as possible.
 19. The Board will designate the financial institution(s) where the money of the corporation is to be deposited and will designate persons authorized to sign checks.
 20. The electrical meter will be read each month and bill paid monthly.
 21. Water will not be provided to any organization or State department to use for environmental or recreational purposes.