

Exhibit A

STATE OF NEW JERSEY
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF PARKS AND FORESTRY

LEASE AGREEMENT

THIS LEASE AGREEMENT, made the 10th day of June in
the year Two Thousand ~~Seven~~ (2008),
Eight 8

BETWEEN THE STATE OF NEW JERSEY
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF PARKS AND FORESTRY
501 EAST STATE STREET
P. O. BOX 400
TRENTON, NEW JERSEY 08625

hereinafter referred to as Landlord,

AND TENNESSEE GAS PIPELINE COMPANY
1001 Louisiana Street, Suite SE 1452A
Houston, Texas 77002

hereinafter referred to as Tenant.

WHEREAS, Landlord, through a donation, acquired certain land and improvements thereon commonly known as High Point State Park;

WHEREAS, under an Opinion No. 279 adopted by the Federal Power Commission on December 22, 1954, there was a finding that the Tenant is a "natural gas company" within the meaning of the Natural Gas Act, 15 U.S.C.A. Sec. 717, et seq., and, under Docket G-2331, applied to the Commission for certificate authorizing a major expansion program including the construction of a twenty-four (24) inch pipe line in New Jersey, and that by said opinion a certificate of public convenience and necessity was issued authorizing the Tenant to construct and operate the facilities described in the application as modified; and

WHEREAS, prior to condemnation, Tenant negotiated with the State of New Jersey for a 50-year right of way agreement to construct the authorized project; and

WHEREAS, the project has been constructed and the 50-year right of way agreement has expired, and

WHEREAS, Tenant has proposed to Landlord its desire to lease the Leased Premises wherein and upon where the pipeline lies; and

WHEREAS, Landlord has determined that this Lease for the purposes and subject to the terms and conditions herein provided: (i) is consistent with Landlord's authority to administer the Leased Premises under the above cited Acts; (ii) is consistent with Landlord's reasonably anticipated plans for the development, management and operation of the Leased Premises; and (iii) will serve the best interest of the State of New Jersey and the public;

NOW THEREFORE, in consideration of the payment of rent to be made by Tenant as hereinbelow provided and the mutual covenants hereinafter made, the parties hereto agree as follows:

THAT, IN ACCORDANCE with N.J.S.A. 13:1L-1 et. seq., Landlord does hereby grant to Tenant and Tenant does hereby accept a lease to enter upon, for the purposes herein provided: ALL that certain land consisting of approximately 19.23 linear acres ("Leased Premises") comprising approximately 16,760 linear feet by 50-foot wide running through High Point State Park and designated as p/o Block 165, Lot 7.16 on the Tax Map of the Township of Wantage and p/o Block 24, Lot 2, p/o Block 23, Lot 1, p/o Block 19, Lot 28, and p/o Block 19, Lot 30 on the Tax Map of the Township of Monatague, County of Sussex, State of New Jersey. The Leased Premises are identified more particularly on the Lease Map attached to and made a part of this Lease as Exhibit A. Excluded from

the definition of Leased Premises is the aforesaid twenty-four inch pipeline and its appurtenances which Tenant currently owns and which shall remain the property of Tenant.

Landlord and Tenant hereby mutually covenant and agree as follows:

1. TERM

This lease shall be in effect for a period of twenty (20) Lease Years (the "Term"), unless sooner terminated, as hereinafter provided, commencing on the Effective Date of this Lease which, for the purpose hereof, shall be the date on which the last of the following has occurred:

- (i) this Lease has been signed on behalf of Landlord and Tenant; and
- (ii) the certificate of insurance required under Paragraph 18 hereof is approved by Landlord; and
- (iii) the rent payment has been received by Landlord as herein provided; and
- (iv) Landlord receives the Certificate of Authority required by Paragraph 35 hereof authorizing Tenant to execute this Lease; and
- (v) Landlord has obtained the approval of this Lease by the State House Commission as required in Paragraph 39 hereof; and
- (vi) the Lease signed on behalf of Landlord and Tenant is dated and forwarded to Tenant.

"Lease Year" shall mean a period of twelve consecutive months beginning on January 1 and ending on December 31, except with respect to the "First Lease Year" which shall commence on the Effective Date and shall expire on December 31 of the calendar year that includes the Effective date.

2 RENT

Simultaneous with Tenant's execution of this Lease, Tenant has given Landlord the sum of Eighty Five Thousand Five Hundred Dollars (\$85,500), which Landlord agrees is full and adequate lump sum payment of rent for each and every year of the entire twenty year Term of this Lease. No further Rent is due hereunder.

3. ADDITIONAL RENT

Additional Rent shall mean and be deemed to consist of all sums of money which shall become due from and payable by Tenant to Landlord after the Effective Date. If Landlord incurs any expense including, but not limited to, reasonable attorney's fees, by reason of the material breach of this Lease by Tenant or Tenant's failure to perform any obligation of Tenant hereunder, Tenant shall be liable for payment to Landlord of such expense which shall be deemed Additional Rent. Additional Rent shall be due and payable to Landlord within thirty (30) days after written demand therefor by Landlord. Tenant's obligation to pay any Additional Rent accruing during the Term of this Lease shall survive and remain a continuing obligation of Tenant after the expiration or termination of this Lease.

4. PURPOSE

Tenant shall not use or occupy the Leased Premises for any other purpose than the necessary operation, of laying, constructing, operating, maintaining, altering, repairing, changing the size of,

replacing and removing no more than one (1) twenty four (24) inch pipeline and all related equipment and appurtenances thereto (including but not limited to meters, fittings, tie-overs, valves, cathodic protection equipment and launchers and receivers) for the transportation of natural gas, under, over and across the tract or tracts of land of LANDLORD, situated in the Townships of Montague and Wantage, County of Sussex, State of New Jersey.

TENANT'S Lease area shall be fifty (50) feet in width extending twenty five (25) feet to the north and twenty five (25) feet to the south of the existing twenty four (24) inch pipeline, and the right to all subsurface lateral support on LANDLORD'S lands adjacent to the Leased area.

The TENANT shall have all rights and benefits necessary or convenient for the full enjoyment or use of the rights herein granted, including, but without limiting the same to, the free rights of ingress and egress over and across said lands and existing roads of LANDLORD.

The undersigned LANDLORD, its successors, heirs or assigns, reserves the right to fully use and enjoy the said Leased Premises subject to the rights herein granted and conveyed; provided, however, that the LANDLORD shall not plant any trees, shrubs or bushes, including trees considered as a growing crop, within the Leased area; and provided further, that the TENANT shall have the right from time to time, at no additional cost to TENANT, or any liability to Landlord, to cut and remove all trees, including trees considered as a growing crop, all undergrowth and any other obstructions in or over the Leased area that may injure, endanger or interfere with the construction and use of said pipelines and fittings and appliances appurtenant to any of said lines. No excavation, change of grade or water impoundment, new paved roadways or driveways may be made on and no structure shall be erected or placed on the Leased area herein granted without the prior written consent of TENANT. Septic systems, leaching fields, detention basins, water wells, or any other underground facilities shall be deemed structures or obstructions, and shall be prohibited within the Leased area in the same manner as any other structure.

The TENANT, by acceptance hereof, agrees to pay for any and all actual damages, including but not limited to, timber, crops and fences which may arise from laying, constructing, maintaining, operating, altering, repairing, removing, changing the size of and replacing such pipelines.

This Lease shall permit recreational, surface use of Leased area by members of the public for hiking, cross-country skiing and other similar uses which do not disturb the subsurface earth. Tenant shall not use or allow or permit others to use the Leased Premises for any purpose or in any manner other than as expressly provided herein. No use or manner of use shall be implied from the purposes expressed herein. Tenant shall not conduct or allow any use which would in any way (i) make void or voidable any insurance then in effect, (ii) cause damage to all or any part of the Leased Premises, or (iii) constitute a public or private nuisance. Without limitation, Tenant shall not dump or place or otherwise permit or allow any person to dump or place (a) soil or other substances or material as landfill on the Leased Premises except as approved by Landlord as part of the renovation, improvement and maintenance of the Leased Premises, or (b) any trash, waste, hazardous waste or any unsightly or offensive materials on the Leased Premises. Tenant shall not, however, be responsible for conduct described in subparagraphs (a) and (b) above undertaken by members of the general public who use High Point State Park without Tenant's knowledge or control.

5. CONDITION OF LEASED PREMISES

The Leased Premises are leased to and accepted by Tenant in their present condition and without representation or warranty of any kind by Landlord including, but not limited to, any representations or warranty of fitness for a particular

purpose. Tenant represents, upon execution of this Lease, that it has made a physical inspection of the Leased Premises and has found the same satisfactory for all purposes of this Lease.

6. TAXES AND ASSESSMENTS

Tenant shall, as Additional Rent hereunder during the Term of this Lease, promptly pay when due all taxes and assessments, together with interest and penalties thereon, which are levied upon or assessed with respect to the Leased Premises or the leasehold estate hereby created. If any assessment is made or any tax is levied against the Leased Premises which may be legally paid in installments, Tenant shall have the option to pay such tax or assessment in installments, except that each installment thereof, and any interest thereon, shall be paid by the final date fixed for the payment thereof, and the whole amount thereof shall be paid prior to the expiration or termination of the Term of this Lease. Tenant will furnish to Landlord, within thirty (30) days after demand therefor, proof of the payment of any such tax or assessment. In the event that the full amount of said tax or assessment is not paid prior to the expiration or termination of the term of this Lease, the payment thereof shall remain a continuing obligation of Tenant after the expiration or termination of this Lease.

7. INDEPENDENT PRINCIPAL

Tenant acknowledges and accepts that it is an independent principal and is not undertaking any activities under this Lease on behalf of Landlord and that it has no relationship with Landlord in connection with this Lease as Landlord's agent, servant, employee, contractor or otherwise. Tenant agrees not to enter into any agreement or commitment on Landlord's behalf.

8. MAINTENANCE, REPAIR AND UTILITIES

A. Tenant shall be responsible for the maintenance of the Leased Premises and Improvements thereon including structural repairs, the installation and repair of all utility systems, and the cost of all utility services. Upon expiration or termination of this Lease, Tenant shall put the Leased Premises in at least as good condition as it was delivered at the commencement of the Term. Landlord shall not be required to maintain or repair the Leased Premises.

B. Tenant shall, at Tenant's sole cost and expense, keep and maintain the Leased Premises and Improvements thereon in good repair and condition and shall promptly make all structural, nonstructural, ordinary and extraordinary repairs of every kind which may be required to be made upon or in connection with the Leased Premises, any Improvements thereon or any part thereof in order to keep and maintain the Leased Premises and Improvements thereon in good repair and condition in accordance with all applicable federal, State, and local requirements. Tenant's obligation to keep and maintain Improvements under this Paragraph 8, "Maintenance, Repair and Utilities" shall be completely satisfied and fulfilled if Tenant keeps and maintains the Leased Premises and Improvements in compliance with the rules and regulations of the United States Department of Transportation and any other federal department or agency with regulatory authority over Tenant and its activities. Tenant will use its best efforts to conduct its obligations under this Paragraph so as not to interfere with the patrons, personnel, wildlife and operations at High Point State Park.

C. Tenant shall, at its sole cost and expense, keep and maintain the Leased Premises, and Improvements constructed or located on the Leased Premises, clean, neat, safe and well maintained. Tenant itself is prohibited from placing on the Leased Premises any debris, trash, litter or garbage. Tenant shall have no obligation to remove debris, trash, litter or garbage placed on the Leased Premises by third parties.

D. Tenant shall, at its sole cost and expense, install, maintain, repair and replace all utility systems and pay for the cost of all utility

service including water, gas, heat, telephone, electricity, sewer, and other utility and communications services rendered or used on or about the Leased Premises or Improvements thereon.

E. Tenant shall keep the Leased Premises free of trash and be responsible for the collection, disposal and recycling of all garbage, rubbish and other waste Tenant generates on the Leased Premises. Tenant shall participate in and comply with all recycling programs in effect for the municipality where the Leased Premises is located. This shall only pertain to the trash generated by Tenant and not by third parties.

F. Tenant shall provide reasonable advance notice to Landlord of any planned maintenance that will result in the physical change of the natural condition of the Leased Premises. Tenant shall notify Landlord of any emergency maintenance that results in the physical change of the natural condition of the Leased Premises within a reasonable period of time after said emergency maintenance is performed.

9. IMPROVEMENTS

A. Tenant shall be permitted to implement any restoration, preservation, renovation, or improvement project (collectively "improvement(s)") on the Leased Premises that are consistent with the Purpose of this Lease as set forth in Paragraph 4 hereof and that comply with the rules and regulations of the United States Department of Transportation and any other federal department or agency with regulatory authority over Tenant and its activities. Before entering into any contract for or commencing any such improvement or within a reasonable period of time thereafter, Tenant shall submit to Landlord an Improvement Plan for the proposed Improvement. The Improvement Plan shall include, but not be limited to, (a) a description of each Improvement; (b) schedule for initiation and completion of each Improvement; (c) a statement whether each Improvement will be performed by Tenant or a contractor; and (d) such additional information that Landlord may reasonably require.

B. Tenant shall not be permitted to implement any Improvements which are not consistent with the Purpose of this Lease as set forth in Paragraph 4 hereof and/or that do not comply with the rules and regulations of the United States Department of Transportation and/or any other federal department or agency with regulatory authority over Tenant and its activities without obtaining the express written approval from Landlord of plans thereof. Any such Improvement shall be removed by Tenant on Landlord's demand and Tenant shall, at Tenant's sole cost and expense, repair any damage to the Leased Premises caused by Tenant's construction and/or removal of any such Improvement.

C. Tenant's submission to Landlord of an Improvement Plan shall not be construed to relieve Tenant of its responsibility to obtain and maintain all licenses, certificates, permits and approvals now or subsequently required by federal, State and local authorities for the construction and use of the Improvement. Tenant shall, prior to the commencement of any Improvement, apply for and obtain all federal, State and local licenses, certificates, permits and approvals required for construction of the proposed Improvement. Upon the issuance of said licenses, certificates, permits and approvals, Tenant shall submit copies of same to Landlord. All construction shall be done in a good and workmanlike manner and all requisite licenses, certificates, permits, approvals and any other requirements of federal, State or local authorities having jurisdiction.

D. Tenant is responsible for the professional quality, technical accuracy, timely completion and coordination of all designs, drawings, specifications, and reports furnished under this Lease. Tenant's submission to Landlord of an Improvement Plan shall not be construed as a waiver of any rights of Landlord under this Lease or any cause of action arising out of the performance of this Lease.

E. Upon compliance with this Paragraph, Tenant may enter into contracts for the performance of construction of an Improvement provided that in no such event shall Tenant's obligations under this Lease be

deemed to be diminished thereby. Nothing contained in any such contracts shall be construed as creating any contractual relationship between any contractor, subcontractor and Landlord.

F. Tenant shall, at its sole cost and expense, provide all necessary construction management for each Improvement. Landlord may, at its sole cost and expense, monitor Tenant's construction management.

G. Tenant shall, at Tenant's sole cost and expense, repair any damage to the Leased Premises caused by Tenant's construction.

H. Upon completion of any Improvement, Tenant shall deliver to Landlord one complete set of plan view reproducible "as-built" or record drawings of the Improvement.

10. TITLE TO IMPROVEMENT

All Improvements to be constructed or installed or previously constructed or installed on the Leased Premises by Tenant shall, upon completion in accordance with the approved plans therefor and the requirements of public authorities having jurisdiction thereof, remain the property of the Tenant.

11. COMPLIANCE WITH LAWS, LICENSES, PERMITS, AND INSURANCE POLICIES

A. Tenant shall obtain, maintain and comply with all applicable licenses, permits and approvals required by the appropriate federal, State and local authorities for the improvement, maintenance and use of the Leased Premises in accordance with this Lease. Landlord agrees to fully cooperate with Tenant in obtaining the same. Tenant shall provide Landlord with satisfactory written evidence of any and all such licenses, permits and approvals that have been obtained. Tenant shall also provide Landlord with satisfactory documentation that all such licenses, permits and approvals have been renewed as may be required so that Landlord is at all times in possession of adequate documentation that Tenant has obtained and is maintaining such licenses, permits and approvals.

B. Tenant shall, at its sole cost and expense, comply and shall cause the Leased Premises to comply with all duly promulgated and applicable federal, State and local laws, ordinances, rules and orders affecting the Leased Premises, or any part thereof, or the use thereof, including those which require the making of any structural or extraordinary changes thereto whether or not any such laws, ordinances, rules or orders may involve a change of policy on the part of the governmental body enacting the same. Without limiting the scope of the preceding sentence, Tenant shall comply with the provisions of the New Jersey State Park Service Code, N.J.A.C. 7:2-1 et seq., or as subsequently in effect, in Tenant's use and occupancy of the Leased Premises and any activities on adjacent land and waters owned and/or under the control of Landlord.

C. Tenant shall comply with the insurance requirements of this Lease which at any time may be in force with respect to the Leased Premises.

D. If Tenant is issued:

- (i) A notice of failure to comply with any policy of insurance required by this Lease;
- (ii) A summons or any notice of violation of any license, permit, certification, authorization, approval or any other similar instrument(s) required by any federal, State or local authority having jurisdiction necessary to improve, maintain and use the Leased Premises in accordance with the provisions hereof; or

(iii) A summons or any notice of violation of any duly promulgated and applicable federal, State or local laws,

ordinances, rules and orders affecting the Leased Premises, any part thereof or the use thereof,

Tenant shall immediately forward a copy of the notice or summons to Landlord and Tenant shall have such period of time to correct said violation as is prescribed in the summons or notice. Without limiting Tenant's indemnification obligations under this Lease, Tenant shall indemnify Landlord against all liability, claim, loss or payment of any kind arising from Tenant's failure or omission to comply with any such insurance requirement, license, permit, certification, authorization, approval or any uniformly promulgated and applicable federal, State or local laws, ordinances, rules and orders.

12. ACCESS TO LEASED PREMISES

A. Landlord and/or an authorized representative of Landlord shall have the right to enter upon the Leased Premises and evaluate Tenant's operation thereof and take such action as Landlord is authorized to take by this Lease to assure compliance by Tenant with the terms and conditions of this Lease.

B. Landlord shall exercise its rights under this Paragraph in such manner so as not to damage Tenant's property or unreasonably interfere with Tenant's use and occupancy.

C. Landlord cannot guarantee immediate vehicular access to the Leased Premises through the State Park's vehicular access points in the event of closure of the State Park and/or an emergency. In such an event, Tenant shall notify Landlord should it need such access and Landlord shall grant such access as soon as reasonably possible. Tenant hereby waives any claim for damages and/or compensation as a result of any reasonable delay in obtaining vehicular access under this paragraph.

13. NO INTERFERENCE WITH STATE PROPERTY

Tenant shall conduct all activities on the Leased Premises in a manner that will not interfere with, impair or prevent the development, maintenance and management of adjoining State-owned property and the safe use and enjoyment thereof by the public and other tenants of Landlord. Tenant shall coordinate with Landlord all activities on the Leased Premises such as work schedules which could affect the development, maintenance and management of adjoining State-owned property and the safe use and enjoyment thereof by the public or other tenants of Landlord and shall implement all measures reasonably required by Landlord to minimize such effects. Tenant shall, upon receipt of written notice from Landlord and within 60 days, take such action as may be required by Landlord to eliminate any such interference or impairment occasioned by Tenant's use of the Leased Premises.

14. SIGNS

Except for signs directly related to and necessary for Tenant's use and occupancy of the Leased Premises (such as aerial markers and emergency contact numbers), Tenant shall not post or permit or otherwise allow others to post temporary or permanent signs or advertisements of any description on or about the Leased Premises without first obtaining the express written approval thereof by Landlord.

15. MARKERS Tenant shall be responsible for the installation, maintenance, repair and replacement of any and all markers necessary to identify the pipe line. Tenant shall be responsible for the installation, maintenance, repair and replacement of security systems, if any, for the Leased Premises.

16. DAMAGE TO PROPERTY

A. Tenant shall, at Tenant's sole cost and expense, repair any damage caused by Tenant, its employees, agents, contractors or invitees

to the Leased Premises. If Tenant fails to make such repairs after written demand by Landlord and within 60 days, Landlord may make said repairs and restore the affected Leased Premises. All costs incurred by Landlord in making repairs shall be paid by Tenant to Landlord as Additional Rent in accordance with Paragraph 3 of this Lease.

B. In the event of damage to or destruction of the Leased Premises in whole or in part by fire, explosion, the elements or other casualty, Tenant shall as promptly as possible after Tenant has knowledge of such damage or destruction, notify Landlord thereof. Tenant shall, at Tenant's sole cost and expense, cause such damage or destruction to be repaired.

C. All repairs by Tenant of damage to the Leased Premises shall restore the affected property as closely as practical, to the appearance, condition, and utility of said property immediately prior to the damage or destruction. All repairs shall be completed in accordance with plans and specifications submitted to and approved by Landlord under Paragraph 9 of this Lease to the same extent as though said repair is an Improvement.

D. This Lease shall not be construed to require or obligate Landlord to cause any damage to or destruction of the Leased Premises to be repaired for the benefit of Tenant. Landlord shall not be liable to Tenant for any loss occasioned by the damage to or destruction of the Leased Premises and/or Landlord's declaration that this Lease is terminated.

17. INDEMNIFICATION

A. Tenant shall, for itself, its successors and assigns, assume all risks and liabilities arising out of Tenant's possession, operation, maintenance and improvement of the Leased Premises. Tenant covenants to defend, protect, indemnify and save harmless Landlord and hereby releases Landlord and each of its officers, agents, employees, successors and assignees from and against any and all such liabilities, losses, damages, costs, expenses (including reasonable attorney's fees and expenses), causes of action, suits, claims, demands or judgments of every nature arising from or claimed to arise, in whole or in part, in any manner out of, be occasioned by, or result from:

- (i) Any injury to, or death of any person in or on the Leased Premises or any damage to property which occurs in or on the Leased Premises or in any manner growing out of or connected with the condition of the Leased Premises and/or the use or occupancy of the Leased Premises by Tenant, its officers, agents, employees, volunteers, contractors, subtenants, or invitees;
- (ii) Violation of any agreement or condition of this Lease by Tenant, its agents, employees, volunteers, contractors, invitees or anyone claiming by or through Tenant; and
- (iii) Violation of any federal, State or local law, ordinance, or rule or order effecting the Leased Premises or Tenant's use thereof. The obligations assumed by Tenant under this paragraph shall not constitute a waiver by Tenant of the immunity provided by the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq.;
- (iv) Failure or omission to comply with any insurance required under this Lease or any federal, State or local law, ordinance, rule or order affecting the Leased Premises or Tenant's use thereof; and
- (v) Any act, error or omission by Tenant, its agents, employees, contractors, invitees, express or implied, or anyone claiming by or through Tenant in the performance of this Lease.

B. Tenant agrees that any contract with its contractors and consultants shall require such contractors and consultants to defend, indemnify, protect and save harmless Landlord and release Landlord and their officials and employees from and against any and all suits, claims, demands or damages of whatever kind or nature arising out of or claimed to arise out of in whole or in part any negligent act, error or omission of the contractor, consultant or their agents, subcontractors, servants and employees in the performance of any work or professional services on or for the benefit of the Leased Premises.

C. Landlord and Tenant shall, as soon as practicable after a claim has been made against either of them, give written notice thereof to the other along with full and complete particulars of the claim. If a suit is brought against Landlord or Tenant or any of their agents, servants and/or employees, Landlord or Tenant shall expeditiously forward or have forwarded to the other every demand, complaint, notice, summons, pleading, or other document received by or then in their possession or the possession of their representatives.

D. Tenant's liability pursuant to this paragraph shall continue after the termination or expiration of this Lease with regard to causes of action arising or claimed to arise prior to the termination or expiration hereof.

E. Tenant's indemnification obligations hereunder are not limited to the proceeds received from the insurance coverage obtained by Tenant and/or its contractors in accordance with this Lease.

F. The provisions of this indemnification clause shall in no way limit the obligations assumed by Tenant under this Lease, nor shall they be construed to relieve Tenant from any liability or to preclude Landlord from taking any other actions available to it under any provisions of this Lease or at law or in equity.

G. Notwithstanding anything else in this Lease to the contrary, Tenant shall not be required to defend, protect, indemnify and save harmless Landlord from any claim, injury, liability, loss, damage or expense (including reasonable attorney fees and expenses) which arises on the Leased Premises but is not related to or caused by the presence of Tenant's Improvements or Tenant's use of or activities on the Leased premises or Tenant's obligations under this Lease.

18. INSURANCE

A. Tenant shall, at its sole cost and expense, obtain and maintain at all times during the Term of this Lease insurance coverage of the types and in at least the minimum amounts hereinafter provided:

(i) comprehensive general liability insurance as broad as the standard coverage form currently in use in the State of New Jersey which shall not be circumscribed by any endorsements limiting the breadth of coverage including product liability, protection and indemnity, Tenant owned or operated motor vehicles broad form contractual liability, and broad form property damage endorsements against claims for bodily injury, death or property damage occurring on, in or about the Leased Premises or in any manner growing out of or connected with any Activity on the Leased Premises conducted by Tenant, its agents, employees, volunteers, contractors and/or invitees express or implied. Limits of liability shall not be less than One Million (\$1,000,000) Dollars per occurrence for bodily injury liability and for property damage liability combined single limit;

(ii) workers' compensation and employers' liability insurance applicable to the Laws of the State of New Jersey; and

All insurance coverage required to be maintained by Tenant in accordance with this Lease shall be issued by insurance companies authorized and approved to conduct business in the State of New Jersey and shall name the State of New Jersey. Alternatively, Tenant may

completely satisfy all requirements of this Paragraph, both for itself and its subcontractors and agents, through its own program of self-insurance, as long as coverage amounts and risks covered are in accordance herewith. Notwithstanding the source of coverage chosen by Tenant, all insurance coverage required to be maintained by Tenant shall name the State of New Jersey, Department of Environmental Protection, as an additional insured.

B. When Tenant returns this Lease, signed by Tenant, to Landlord for signature, Tenant shall provide Landlord with a certificate of insurance evidencing that Tenant has obtained all insurance coverage in accordance with this Lease. A copy of the certificate of insurance shall be attached to this Lease as Exhibit B. Failure to provide a certificate of insurance at the time of Tenant's execution of this Lease shall render this Lease null and void. The certificate of insurance shall provide for thirty (30) days notice, in writing, to Landlord prior to any cancellations, expiration, or non-renewal during the term the insurance is required to be maintained in accordance with this Lease. Tenant shall also provide Landlord with valid certificates of renewal of the insurance (or an updated certificate of self-insurance) upon the expiration of the coverages or certificates so that Landlord is continuously in possession of current documentation that Tenant has obtained and is maintaining in full force and effect all insurance required under this paragraph. Tenant shall also, upon request, provide Landlord with copies of the underlying policy for each coverage required under this Lease certified by the agency or underwriter to be true copies of same. Tenant shall not allow any contractor or subcontractor to engage in any activity on the Leased Premises without first submitting to Landlord a current certificate of insurance showing that the contractor or subcontractor is covered under Tenant's insurance or by Tenant's self-insurance. Tenant shall deliver the certificates to Landlord's address in Paragraph 27 of this Lease.

C. Any insurance protection required by this Lease shall in no way be interpreted to modify, limit or reduce the indemnification herein made by Tenant to Landlord or to limit Tenant's liability hereunder to the proceeds of, or premiums due upon, the policies of insurance required to be maintained by Tenant under this Lease nor shall insurance requirements preclude Landlord from taking such other actions as are available to it under any provisions of this Lease or otherwise at law or in equity.

D. The limits of the insurance described herein shall be reviewed by Landlord and Tenant every two (2) years and Tenant shall increase the limits of said insurance to meet changed circumstances including, but not limited to, changes in the purchasing power of the dollar as measured by the changes in the United States Consumer Price Index and changes indicated by the course of plaintiff's verdicts in personal injury actions.

19. REPORT OF INJURY

Any injury which shall occur on the Leased Premises to Tenant, its employees, volunteers, servants, agents, contractors or invitees requiring medical intervention of which Tenant shall be notified, shall be reported by Tenant to Landlord in writing within seven (7) days of knowledge of any such incident.

20. ASSIGNMENT OR SUBLEASE

A. Tenant shall neither assign its rights or transfer this Lease or Tenant's responsibilities under this Lease or the operations authorized hereunder nor sublet the whole or any part of this Lease without first obtaining Landlord's written approval thereof and upon such terms and conditions required by Landlord. Except for those assignments or subleases mentioned in this Paragraph that are specifically exempted from the requirement to obtain Landlord's written approval, any assignment or subletting without first obtaining Landlord's written

approval shall be null and void. Tenant shall notify any prospective assignee or sublessee that any non-exempt assignment or sublease is void and of no effect unless same is first approved by Landlord. This necessity for Landlord's consent to a sublet or assignment shall not apply in the event Tenant merges, is acquired by another company, reorganizes, changes its name or its corporate structure and Tenant shall not be constrained in any way by this Lease from engaging in such activities or transactions. Notwithstanding whether Landlord's approval is required for any assignment or sublease of all or any part of the Leased Premises, any such assignment or subletting shall be in writing and Tenant shall furnish Landlord with a copy of same and an agreement in writing wherein the assignee or subtenant assumes and agrees to be jointly and severally, directly and primarily liable with Tenant to keep, observe and perform all of the covenants, conditions and obligations to be kept and performed and observed under this Lease on the part of Tenant.

B. Any consent given by Landlord to a particular assignment or sublease shall not constitute a waiver of the necessity for Tenant to obtain Landlord's approval of any subsequent assignment or sublease.

21. DEFAULT, ABANDONMENT & TERMINATION

A. Tenant shall comply and shall assure compliance by its employees, agents, contractors and subcontractors with the terms and conditions of this Lease. Failure to comply or to assure such compliance and/or the existence of any condition which Landlord determines to be in violation of the terms and conditions hereof shall be considered to be a material breach of this Lease. In the event that Tenant, after receipt of a written notice from Landlord describing Tenant's material breach, fails within sixty (60) days to commence and substantially correct the conditions described therein, Landlord may enter and perform such work as Landlord determines is necessary to correct said conditions. Landlord may not, however, perform any work on Tenant's Improvements on the Leased Premises or that would interfere with Tenant's ability to operate in accordance with the purposes of this Lease. Tenant shall reimburse all costs and expenses incurred by Landlord in performing such work, payable as Additional Rent in accordance with Paragraph 3 above.

B. In the event that Tenant abandons or is found to have abandoned its operations, facilities or services under its Certificate of Public Convenience and Necessity in accordance with 15 U.S.C.S. 717f(b):

- (i) This lease shall terminate immediately and Tenant shall immediately cease all occupancy and use of the Leased Premises and turn over peaceable possession and use of the Leased Premises to Landlord in at least as good condition as it was delivered at the commencement of this Lease;
- (ii) Landlord may at once re-enter and remove any and all persons occupying the Leased Premises;
- (iii) Tenant shall, at Tenant's sole cost and expense, remove all personal property lawfully belonging to and removable by Tenant including, but not limited to, Tenant's twenty-four inch pipeline and its appurtenances. If Tenant fails to remove such personal property, Landlord may appropriate the same to its own use without allowing any compensation therefore or may remove the same at the expense of Tenant. If Tenant removes any personal property, Tenant hereby covenants to repair any and all damage which may be caused to the Leased Premises by said removal.
- (iv) Tenant shall pay to Landlord without demand or notice the sum of (a) all Additional Rent and other payments accrued to the date of the End of Term; and (b) the cost

of making all restoration, renovation, improvement and repairs required to be made by Tenant hereunder, and of performing all covenants of Tenant relating to the conditions of the Leased Premises during the Term and upon termination of this Lease, such cost to be deemed prima facie to be the cost actually expended or incurred thereafter by Landlord.

C. Expiration of this Lease or any termination hereof shall not release or discharge any payment, obligation or liability owed to the other party or any third party under the terms and conditions of this Lease as of the date of such expiration or termination.

D. If Landlord exercises its right to terminate this Lease as set forth under this Paragraph, Landlord shall not be liable to Tenant or any other person claiming by or through Tenant for any losses, damages, costs, or expenses (including reasonable attorney's fees) or other claims occasioned by such termination.

22. REPORTS, RECORDS AND ACCOUNTING

Tenant, its contractors and subcontractors, shall provide Landlord through an authorized representative reasonable access to and the right to examine all records, books, papers or documents reasonably related to Tenant's possession, occupation and use of any part of the Leased Premises, and any project, services and work being performed pursuant to any contract or subcontract. Proper facilities shall be furnished for access and inspection.

23. CREATION OF LIENS OR ENCUMBRANCES BY TENANT

A. Tenant shall have no power to do any act or make any contract which may create or be the foundation for any lien, mortgage or other encumbrance upon the interest of Landlord in the Leased Premises. If Tenant should cause any alterations, rebuilding, replacements, changes, additions, improvements or repairs to be made to the Leased Premises or the buildings thereon or labor performed or material furnished therein, thereon or thereto, neither Landlord nor the Leased Premises shall under any circumstances be liable for the payment of any expense incurred or for the value of any work done or material furnished, but all such alterations, rebuilding, replacements, changes, additions, improvements, repairs, labor and material shall be made, furnished and performed at Tenant's expense and Tenant shall be solely and wholly responsible to the contractors, laborers and materialmen furnishing and performing such labor and material.

B. If any mechanic's or other lien, charge or order for the payment of money shall be filed against the Leased Premises or against Landlord (whether or not such lien, charge or order is valid or enforceable as such), Tenant shall, at its own cost and expense, cause the same to be canceled and discharged of record within ten (10) days after notice from Landlord of the filing thereof, and Tenant shall indemnify and save harmless Landlord against and from all costs, expenses, claims and demands, including reasonable counsel fees resulting therefrom.

C. Tenant shall, upon completion of any improvements, provide Landlord with a signed copy of any and all liens indicating that all contractors have been paid and all liens have been discharged.

24. NO DISCRIMINATION - AMERICANS WITH DISABILITIES ACT

A. Tenant shall not discriminate against any person, employee or applicant for employment because of age, national origin, race, creed, color, disability, sex or sexual preference. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment, recruitment advertising, rates of pay or other forms of compensation, layoff or termination, and

selection for training including apprenticeship.

B. Tenant shall not discriminate on the basis of age, national origin, residence, race, creed, color, disability, sex or sexual preference in allowing the public access to and use of the Leased Premises.

C. Tenant shall make all facilities and programs which are intended for public use and enjoyment accessible to the disabled in compliance with the Architectural Barriers Act of 1968, 42 U.S.C.A. 4151 et seq., Title VI Civil Rights Act, Section 504, Americans With Disabilities Act, 42 U.S.C.A. 12101 et seq., and the New Jersey Barrier Free Subcode, N.J.A.C. 5:23-7 et seq. all as are now in effect and subsequently amended.

25. SOLICITATION

Tenant warrants that no person has been employed directly or indirectly to solicit or secure this Lease in violation of N.J.S.A. 52:34-15 and that N.J.S.A. 52:34-19 relating to the procurement and performance of this Lease has not been violated by any conduct of Tenant, including the paying or giving directly or indirectly of any fee, commission, compensation, gift, gratuity or consideration of any kind to any State employee, officer or official.

26. SUPERSEDES - SUCCESSION - ENTIRE AGREEMENT - AMENDMENTS

This Lease (i) supersedes and cancels any and all prior leases and agreements between Landlord and Tenant covering the Leased Premises; (ii) shall be binding upon and inure to the benefit of the successors of Landlord and Tenant; (iii) represents the entire agreement between the parties with all negotiations, oral agreements and understandings merged herein; and (iv) this Lease may be amended, supplemented, changed, modified or altered only upon mutual agreement of the parties hereto in writing.

27. NOTICES

All submissions, approvals, and notices which may be required under this Lease shall be mailed by Certified Mail Return Receipt Requested

TO LANDLORD: Department of Environmental Protection
Leases and Concessions
501 East State Street
P. O. Box 404
Trenton, New Jersey 08625

TO TENANT: Tennessee Gas Pipeline Company
1001 Louisiana Street
Houston, Texas 77002
Attn: Property Rights Services

Either Landlord or Tenant may at any time change such address by mailing to the address above a notice of the change at least ten (10) days prior to such change.

28. WAIVER - CUMULATIVE REMEDIES - GOVERNING LAW

A. Failure of either party to complain of any act or omission on the part of the other party, no matter how long same may continue, shall not be deemed a waiver by said party of any of its rights hereunder. No waiver by either party at any time express or implied of breach of any provision of this Lease shall be deemed a waiver of breach of any other provision or a consent to any subsequent breach of the same or any other provision. The consent to or approval of any action on any one occasion by either party hereto shall not be deemed a consent to or approval of any other action on the same or any subsequent occasion.

B. Any and all rights and remedies which either party may have under this Lease or by operation of law, either at law or in equity, by reason of a breach by the other party shall be distinct, separate and cumulative and shall not be deemed inconsistent with any other right or

remedy and any two or more or all of such rights and remedies may be exercised at the same time.

C. Acceptance by either party of any of the benefits of this Lease with knowledge of any breach thereof by the other party shall not be deemed a waiver by the party receiving the benefit of any rights or remedies to which it is entitled hereunder or by law.

D. This Lease shall be governed by and interpreted in accordance with the Laws of the State of New Jersey.

29. BANKRUPTCY

If during the Term of this Lease, Tenant shall make any assignment for the benefit of creditors, be decreed insolvent or bankrupt, admit in writing Tenant's inability to pay its debts, or if a receiver be appointed for Tenant, and such act by Tenant impairs Tenant's ability to perform its obligations under this lease, then Landlord may, at Landlord's option, terminate this Lease by serving a notice thereof upon the assignee, receiver, trustee or person in charge of Tenant's affairs. Such termination shall not release or discharge any payment of liability then accrued and owing to Landlord.

30. NO THIRD PARTY BENEFICIARIES

There shall be no third party beneficiaries of this Lease and no person, firm or entity not a party to this Lease shall be entitled to claim any right, benefit or presumption from, or estoppel by, this Lease.

31. PEACEFUL ENJOYMENT

Landlord agrees that Tenant, on performing the covenants contained herein, shall peaceably and quietly have, hold and enjoy possession and use of the Leased Premises for the Term.

32. HOLDOVER TENANCY

If Landlord permits Tenant to remain in possession of the Leased Premises after expiration of this Lease without having executed a new written lease with Landlord, then Tenant shall occupy the Leased Premises subject to all the terms and conditions contained in this Lease. Such holding over by Tenant shall not constitute a renewal or extension of this Lease. Landlord may, at its option, elect to treat Tenant as one who has not removed at the end of Tenant's term and thereupon be entitled to all the remedies against Tenant provided by Law.

33. NEGOTIATED DOCUMENT

Each and every provision of this Lease has been independently, separately and freely negotiated by the parties as if this Lease were drafted by all parties hereto. The parties therefore waive any statutory or common law presumption which would serve to have this document construed in favor of or against any party as the drafter hereof.

34. HEADINGS

The headings in this Lease are for convenience and reference only and shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction or meaning of this Lease.

35. RESOLUTION

Tenant shall provide to Landlord evidence that the Board of Directors of the Tennessee Gas Pipeline Company adopted a resolution according to the person signing this Lease by Tenant the requisite authority to do so. A certified copy of said Certificate of Authority shall be attached to this Lease as Exhibit C.

36. SEVERABILITY

If any provision or the application thereof shall to any extent be invalid or unenforceable, the remaining provisions shall not be affected,

and each provision shall be valid and shall be enforceable to the extent permitted by law.

37. PREVAILING WAGE ACT

Without limiting the scope of any other provision of this Lease, Tenant agrees to comply with the New Jersey Prevailing Wage Act, P.L. 1963, Chapter 150. Tenant also agrees to comply with 42 USC, Section 9604 (g)(1). If any conflict exists between the New Jersey Prevailing Wage Law and Section 9604 (g)(1), the federal requirements must be complied with.

38. GOVERNING LAW

This Lease shall be governed by and interpreted in accordance with the Laws of the State of New Jersey.

39. STATE HOUSE COMMISSION APPROVAL

This Lease shall not be effective unless Landlord obtains from the State House Commission evidence that the State House Commission has approved the execution of this Lease for the purposes and subject to the terms and conditions herein provided.

40. ATTACHMENTS

The following are attached to and made a part of this Lease:

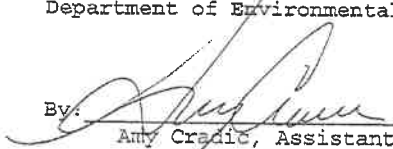
Exhibit A - Map of Leased Premises

Exhibit B - Certificate of Insurance

Exhibit C - Certified Copy of Certificate of Authority

IN WITNESS WHEREOF, the said parties have duly executed these presents the days and year first obtain written.

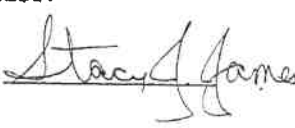
State of New Jersey
Department of Environmental Protection

By: 
Amy Cradic, Assistant Commissioner
Natural and Historic Resources

Date: 4/17/08

ATTEST:

Tennessee Gas Pipeline Company

By: 

By: 
Floyd Robertson

Date: Nov 27, 2007

Floyd C. Robertson
Manager of Land Department
And as Agent and Attorney-in-Fact



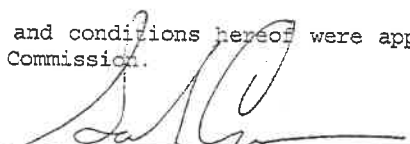
THIS AGREEMENT HAS BEEN REVIEWED
AND APPROVED AS TO FORM BY:
ANNE MILGRAM
ATTORNEY GENERAL
STATE OF NEW JERSEY

By: 
Deputy Attorney General

Date: 12/11/07

I hereby certify that the terms and conditions hereof were approved
on March 15, 2007, by the State House Commission.

Date: 6/10/08

By: 
Secretary

