

## **MEMORANDUM OF UNDERSTANDING**

### **PHILLIPS 66 CARRIER LLC**

#### **SUBJECT: Phillips 66 Carrier LLC GL09 12-inch crude oil, steel pipeline replacement project**

This Memorandum of Understanding (“Memorandum”) is dated and effective as of \_\_\_\_\_, 2025 (the “Effective Date”), is made and entered into between the Yellowstone County (“County”) and Phillips 66 Carrier LLC (“P66”), a Delaware limited liability company, to provide clarity and guidance for both parties regarding the proposed replacement of the P66 Glacier 09 12-inch diameter crude oil, steel pipeline (“GL09”) through portions of property in Yellowstone County, Montana belonging to the County.

On April 23, 1976, Burlington Northern Inc, predecessor in interest to the County, and Continental Pipe Line Company, predecessor in interest to P66, entered into an Agreement wherein Burlington Northern Inc granted a license to Continental Pipe Line Company for the maintenance and operation of a 10-inch and a 12-inch crude oil pipeline (the “License”), covering the following described lands:

[SEE EXHIBIT A FOR LEGAL DESCRIPTION(S) OF THE COUNTY’S PROPERTIES]

hereinafter called the "Owned Land", whether one or more tracts.

County and P66 mutually confirm their understanding of the following:

P66, as the successor in interest to Continental Pipe Line Company as the permittee under said License Agreement, owns and operates the GL09 pipeline. The County is the current owner in fee simple of the Owned Land. The County and the City of Billings have constructed and the City maintains improvements, including bike and pedestrian paths, on portions of the County-Owned Land (the “City Improvements”). The County maintains the improvements on all properties associated with MetraPark. P66’s planned reconstruction/relocation of the GL09 may damage and destroy segments of the City Improvements on the Owned Land. Both the County and P66 recognize and understand the need for temporary workspace usage to facilitate P66’s

planned reconstruction/relocation. County has been provided exhibits depicting the approximate location of said temporary workspace and has no objection to P66's usage thereof.

Upon completion of P66's contemplated GL09 reconstruction/relocation on the Owned Lands, P66 shall restore the surface and contour of the ground of the Owned Land disturbed by such activity, as near as reasonably practicable, to as good a condition as existed at the time of commencement of such activity, including the repair and reconstruction of any City Improvements impacted by such activity.

While some of the pipeline replacement will be done by the horizontal directional drill (HDD) process as well as some open-trench installations, all parties recognize there will be surface damages throughout various areas of County-owned property located within the project corridor. P66 will work with both the County's and City's staff members and an approved contractor to provide the necessary reclamation, reseeding of vegetation, replacement of existing surface features (including asphalt or concrete) to achieve finishes equal to or better than the existing on County-owned properties.

P66 will continue to communicate with the County's Public Works Department and / or MetraPark Staff as applicable to the respective properties to apprise them of project schedule, construction sequencing, traffic control measures, area closures, and other project needs including any temporary workspaces whenever and wherever necessary on County properties.

P66 will provide the County's staff with current contact information so any questions may be handled in an expeditious and forthright manner.

The groups may meet, as requested by either party, to discuss any questions, issues, or unforeseen circumstances that arise during the construction.

**This Memorandum is effective as of the Effective Date and may be recorded in the Office of the City Clerk and the Office of the Yellowstone County Clerk and Recorder at the expense of Phillips 66 Carrier LLC.**

**YELLOWSTONE COUNTY**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**PHILLIPS 66 CARRIER LLC**

Signature: Travis Hammons

Printed Name: Travis Hammons

Title: Attorney-in-Fact



**EXHIBIT A – Legal Descriptions**

CONSTRUCTION EXHIBIT MT-YE-056.000

A portion of Section 26, Township 1 North, Range 26 East further described as a portion of abandoned BN Right-of-Way in the Southwest One-Quarter of the Southwest One-Quarter of the Northwest One-Quarter North of Two Moon Park Road

CONSTRUCTION EXHIBIT MT-YE-058.000

A portion of Section 26, Township 1 North, Range 26 East, further described as Parcel 4 of Certificate of Survey 2811 less the County Road

CONSTRUCTION EXHIBIT MT-YE-060.000

A portion of Section 27, Township 1 North, Range 26 East, further described as a portion of the Fairgrounds and portions of abandoned BN Right-of-Way above the Wastewater Treatment Plant in Section 27 AND a portion of Section 34, Township 1 North, Range 26 East further described as Metra Riverside

CONSTRUCTION EXHIBIT MT-YE-061.000

A portion of Section 27, Township 1 North, Range 26 East, further described as a portion of Parcel 00A, Tract A of Certification of Survey 2491 in the Southeast One-Quarter of said Section and a Retracement of Certificate of Survey 2214.

CONSTRUCTION EXHIBIT MT-YE-063.000

A portion of Section 27, Township 1 North, Range 26 East, further described as a portion of the Wastewater Treatment Plant leased by the City of Billings, Montana.