AMENDMENT NO. 1 TO

UNDERGROUND STORAGE FACILITY

SITE CERTIFICATION AGREEMENT

FOR THE

MIST SITE

BETWEEN

THE STATE OF OREGON

ACTING BY AND THROUGH ITS

ENERGY FACILITY SITING COUNCIL

AND

OREGON NATURAL GAS DEVELOPMENT CORPORATION
Amendment No. 1 to

Underground Storage Facility
Site Certification Agreement

for the Mist Site
between

The State of Oregon
acting by and through its
Energy Facility Siting Council
and

Oregon Natural Gas Development Corporation

1. The Mist Site Certification Agreement ("Agreement") was executed by Oregon Natural Gas Development Corporation (ONG) and the State of Oregon (State), acting by and through its Energy Facility Siting Council (EFSC), on September 30, 1981. The Agreement authorizes ONG to construct and operate an underground storage facility for natural gas and associated facilities at the Mist Site in Columbia County, Oregon.

2. ONG wishes to amend this Agreement in order to extend the deadline for constructing the proposed facility.

3. Columbia County, the Mist-Birkenfeld Rural Fire District and local residents requested additional amendments to the Agreement.

4. EFSC has reviewed ONG's request and the concerns and requests made by the public. EFSC agrees that certain amendments to the Agreement should be executed.

In consideration of the foregoing, it is agreed that:

a. Section III.A. of the Agreement is amended to read as follows: "ONG warrants that the construction of the underground natural gas storage facility and related and supporting structures will be completed prior to August 31, 1990."

b. The map in Appendix 1 of the site certificate is replaced by the map attached herein.

c. Section II.A.1 is amended to read as follows: "two naturally existing underground gas reservoirs (the Flora and Bruer pools) in portions of 3 sections of land all in Township 6 North, Range 5 West of the Willamette Meridian in Columbia County, Oregon, containing 940 acres, more or less from the surface of the earth to the base of the Clark and Wilson Sands and the stratigraphic equivalent thereof, which in the case of the Bruer pool was identified at a measured depth of 3,095 feet in the RBC CC#1 RD 1 well and in the case of the Flora pool was identified at measured depth of 2,760 feet in RBC CC#33-3 well and are entirely within project boundaries described in Appendix 1 attached hereto and by reference incorporated herein; and"
d. Section IV.C.5 is amended to read as follows: "Design, construction and operation of the underground storage reservoir and related of supporting facilities shall incorporate a monitoring program to ensure the public health and safety and to detect leakage using the best available technology and testing procedures available as of the date of this Certificate or as described in ONG's application and supporting testimony relating to OAR 345-100-040(6) and (7). ONG shall recommend for EFSC approval a program to evaluate reported local unusual vibrations. The program shall include reports not less than annually to EFSC. If ONG or EFSC believes there is a correlation between reported vibrations and storage reservoir activity, ONG shall recommend to EFSC a program to install and monitor seismic instruments."

e. The following sentence is added to the end of Section IV.C.11: "ONG shall notify Columbia County when it notifies EFSC that it wishes to increase reservoir gas pressures above discovery pressure."

f. Section V.1 is amended to read as follows: "It is agreed by ONG and EFSC that construction or replacement of any monitoring well, injection/withdrawal well, pipeline or gathering line, or any other facility not shown in Appendix 1 or identified in part II of this agreement shall require an amendment of this agreement as provided in part VII below."

g. Section VI.6 is amended to read as follows: "Building, plumbing, electrical, and conditional land use permits."

IN WITNESS WHEREOF, this Amendment No. 1 to the Mist Site Certification Agreement has been executed by the Chairman of the Energy Facility Siting Council of the State of Oregon and Oregon Natural Gas Development Corporation, as below subscribed this 14th day of October, 1987.

OREGON NATURAL GAS DEVELOPMENT CORPORATION

By: [Signature]
President

Attest: [Signature]
Secretary

STATE OF OREGON

By: [Signature]
Chairman

Attest: [Signature]
Secretary