

Amendment No. 3 to Underground Storage Facility

SITE CERTIFICATION AGREEMENT

for the Mist Site

between

The State of Oregon

and

Northwest Natural Gas Company

RECITALS

1. The Site Certification Agreement ("Certificate") for the Mist Site was executed by Oregon Natural Gas Development Corporation ("ONG") and the State of Oregon Energy Facility Siting Council ("EFSC" or "Council") on September 30, 1981. The Certificate authorized ONG and its parent company, Northwest Natural Gas Company ("NNG") to construct and operate an underground storage facility for natural gas and related or supporting facilities at the Mist site. The Mist storage facility was transferred from ONG to NNG effective April 11, 1988.

2. Construction or replacement of any monitoring wells or injection/withdrawal wells requires an amendment of the Certificate. Such amendment may be granted at a regular public meeting of the Energy Facility Siting Council if in the opinion of EFSC and the company it is desirable to amend the Certificate and the amendment will not adversely affect the public health, safety, or welfare.

3. NNG seeks to amend the Certificate to permit construction of two replacement wells for two poorly functioning injection/withdrawal wells (IW 33d-3; IW 22d-10) and two new wells to increase the capacity for withdrawal. The two replacement wells (IW 33ac-3; IW 32c-10) will permit withdrawal up to the current needs of 80 MMcf per day for the 1990-1991 heating season, which cannot be reliably sustained because of the two poorly functioning wells. The two additional wells (IW 23d-3; IW 13b-11) will allow a Mist system increase to 100 MMcf per day in the 1991-1992 heating season.

4. The new wells will be located within the approved boundaries of the Mist storage project and within existing areas of NNG mineral rights and leases.

5. NNG requests that the Certificate be amended to permit construction of the four wells as shown on Exhibit A to this document, which will become Revised Appendix 1 to the Certificate.

FINDINGS AND CONCLUSIONS

1. EFSC sent notice of NNG's request to all affected state agencies and all persons on the EFSC's mailing list. EFSC placed a public notice and request for public comment in the local area newspaper on August 15, 1990, and a notice of public hearing in the same newspaper on September 12, 1990.

2. NNG's request and comments on it were reviewed and considered by EFSC at a special public meeting in Portland on September 21, 1990.

3. NNG has obtained permits for the four wells from the Oregon State Department of Geology and Mineral Industries; Columbia County Planning Division; Mist-Birkenfeld Fire District; and the Oregon Department of Forestry.

4. Based on its review and consideration, EFSC finds that NNG's request is reasonable, does not adversely affect the public health, safety, or welfare, and is consistent with all applicable standards. EFSC agrees that an amendment to the Certificate is desirable and should be made pursuant to Section VII. F. of the Certificate to allow drilling and operation of four wells as shown on revised Appendix 1 to the Certificate (Exhibit A).

IN CONSIDERATION OF THE FOREGOING, the following Amendment No. 3 to the Mist Site Certification Agreement is made and entered into by the State of Oregon, acting by and through EFSC, and NNG, an Oregon corporation:

- A. Exhibit A attached hereto describes the well locations at the Mist site. Existing well IW 33d-3 will be retained solely as a monitoring well.
- B. Exhibit A is hereby substituted for all prior versions of Appendix 1 for all purposes of

the Underground Storage Site Certificate Agreement for the Mist site, as amended.

IN WITNESS WHEREOF, this Amendment No. 3 to the Certificate for Underground Storage Facility at the Mist Site has been executed by the Chairman of the Energy Facility Siting Council of the State of Oregon and Northwest Natural Gas Company, as below subscribed this 21st day of September, 1990.

STATE OF OREGON

ENERGY FACILITY SITING COUNCIL

By: Revin D. Ferguson

Chairman

Attest: David Stewart Smith

Secretary

NORTHWEST NATURAL GAS COMPANY

By: Wayne J. Foley

Attest: Leah L. Kelley

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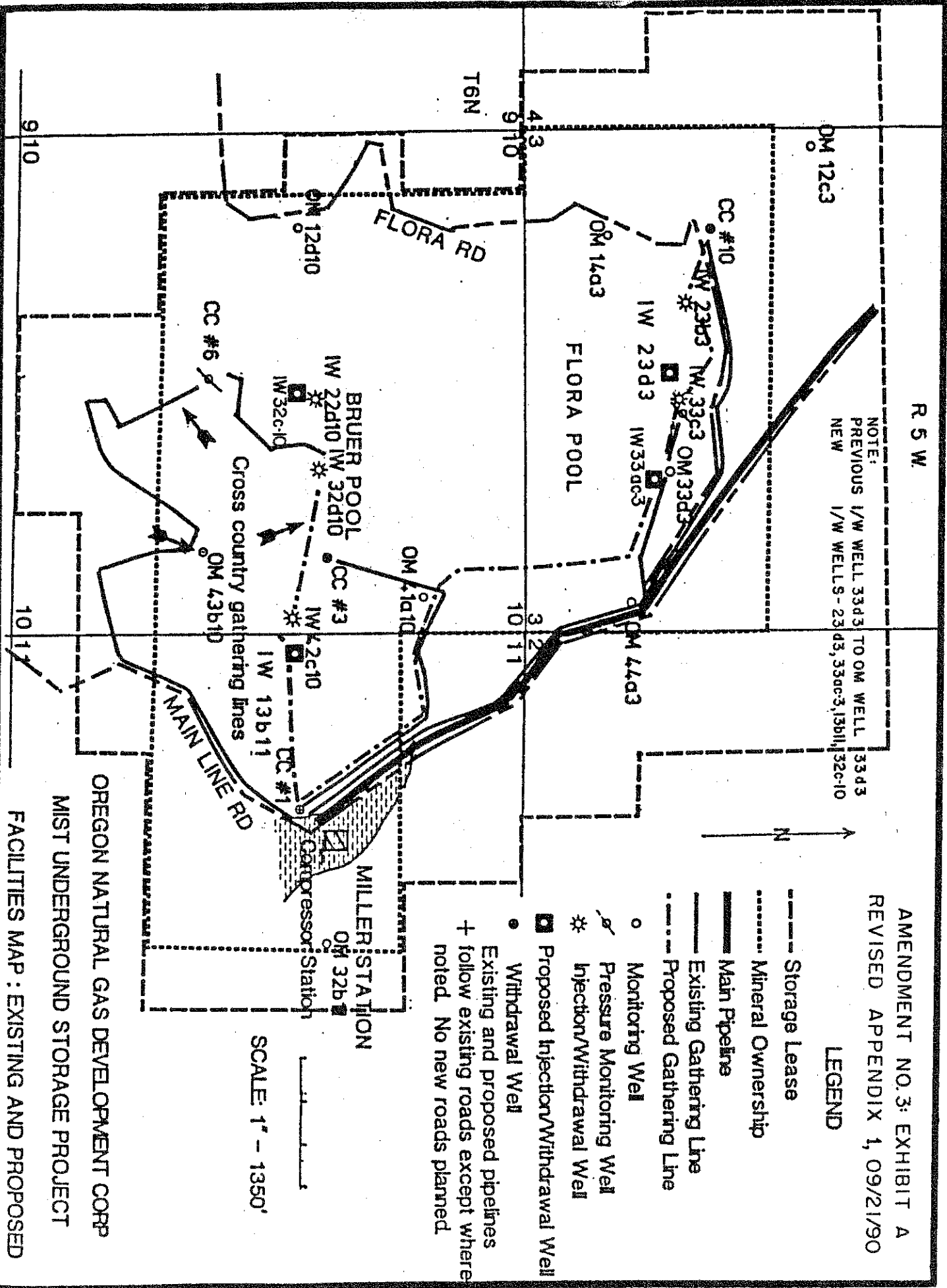
NOTE:
PREVIOUS I/W WELL 33d3 TO OM WELL 33d3
NEW I/W WELLS - 23d3, 33dc3, 13b11, 32c-10

AMENDMENT NO. 3: EXHIBIT A
REVISED APPENDIX 1, 09/21/90

LEGEND

- Storage Lease
- Mineral Ownership
- Main Pipeline
- Existing Gathering Line
- Proposed Gathering Line
- Monitoring Well
- ⊗ Pressure Monitoring Well
- ⊛ Injection/Withdrawal Well
- ⊠ Proposed Injection/Withdrawal Well
- Withdrawal Well
- + Existing and proposed pipelines follow existing roads except where noted. No new roads planned

SCALE: 1" = 1350'



OREGON NATURAL GAS DEVELOPMENT CORP
MIST UNDERGROUND STORAGE PROJECT
FACILITIES MAP : EXISTING AND PROPOSED