## **Amendment to Reuse Water Supply Contract**

The parties to this Amendment are the City of South Heart, 103 6<sup>th</sup> St. NW, South Heart, ND 58655 hereinafter referred to as ("South Heart"), and the City of Dickinson, 38 1<sup>st</sup> Street West, Dickinson, ND, 58601, a political subdivision of the State of North Dakota and a municipal corporation under North Dakota law ("Dickinson").

## **RECITALS**

- A. The Parties executed a Reuse Water Supply Contract dated \_\_\_\_\_ (the "Agreement").
- B. The Parties desire to modify and amend the Agreement to allow the City of South Heart to sell the refuse water purchased from the City of Dickinson for fracking purposes for a limited time.
- NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

## <u>AGREEMENT</u>

- 1. <u>Recitals</u>. The recitals set forth above are a material part of this Amendment and are hereby incorporated into this Amendment as if fully set out herein.
  - 2.. <u>Amendment</u>. The Agreement shall be amended as follows:
    - A. South Heart shall be allowed to sell any reuse water that it purchases from Dickinson to a third party for fracking purposes under the following terms and conditions:
      - South Heart shall install, or direct to be installed, a meter at the Facility to monitor and record the number of gallons being sold for fracking purposes. In addition, South Heart shall be responsible for providing monthly reports to Dickinson identifying the amount of reuse water allocated toward irrigation and for fracking purposes.
      - 2. South Heart shall pay to Dickinson \$6.00 for every 1,000 gallons of reuse water used for fracking purposes. South Heart shall pay to Dickinson \$1.25 for every 1,000 gallons of refuse water used for irrigation purposes. Dickinson will invoice South Heart monthly for reuse water delivered to South Heart, which South Heart shall promptly pay no later than 30 days after receipt of invoice.

- 3. South Heart shall provide a sampling report each month to Dickinson by the 15th day of the month to ensure the water quality standards are being met as required by the North Dakota Department of Environmental Quality.
- 4. The right to sell reuse water to third parties for fracking purposes shall expire 90 days after the execution of this Amendment.
- 5. Dickinson, by written notice to South Heart, may terminate this Amendment under any of the following conditions:
  - a) If funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for the sale and supply of the reuse water in the indicated quantities or term set forth herein.
  - b) If federal or state laws or rules are modified or interpreted by the responsible regulating agency in a way that the sale and supply of the reuse water is no longer allowed under applicable rules or law.
  - c) If any license, permit, or certificate required by law or rule, affecting Dickinson's ability to provide reuse water or South Heart's ability to receive reuse water, or as otherwise required by the terms of this Contract, is for any reason denied, revoked, suspended, or not renewed.
  - d) Termination of this Contract under this subsection is without prejudice to any obligations or liabilities of either party already accrued prior to termination.

<ol><li>Ratification. All</li></ol>	remaining terms and conditions of the Reuse Water Supply
Contract dated	shall remain in full force and effect and are hereby ratified
and confirmed in all respects	•

Signatures on the following page

City of Dickinson	City of South Heart
Dated:, 2024	Dated:, 2024
By:Scott Decker, President Dickinson City Commission	Brock White, its Mayor City Council of South Heart
ATTEST:	ATTEST:
By: Dustin Dassinger Dickinson City Administrator	By: