

July 18, 2012

Mr. Charles Long Crow President Ideal Community PO Box 52 Ideal, South Dakota 57541 TransCanada Pipelines Limited 450 - 1st Street S.W. Calgary, Alberta, Canada T2P 5H1

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Dear Mr. Long Crow;

We would like to thank you for inviting us to the Ideal Community Meeting on July 10, 2012. We appreciate the support for our proposal to develop a Workplan that identifies employment and economic opportunities related to the Keystone XL Pipeline. This initiative could be the foundation of a long term relationship between the Rosebud Sioux Tribe and TransCanada.

In order for us to invest into the development of the Workplan we would need verification from the community that they are willing to work with us. That verification can come in the form of a letter or a resolution.

As described at the meeting, we are prepared to commit to compensating the community for the development of the Workplan. As soon as we get verification we can begin working on this initiative. As per our discussion you indicated that at the August 7th meeting, a decision would be made to move forward with the Workplan. If this occurs we are willing to begin the process as early as August 14th.

We look forward to working with the Community of Ideal and should you have any questions, please contact me at (403) 461-6865.

With Regards,

Art Cunningham Senior Aboriginal and Native American Policy Adviser TransCanada Energy, Ltd.