F.E.R.C. GAS TARIFF
Second Revised Volume No. 1

of

MISSISSIPPI CANYON GAS PIPELINE, LLC

Superseding
First Revised Volume No. 1

Filed with the
FEDERAL ENERGY REGULATORY COMMISSION

Communications regarding this Tariff should be addressed to:

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Houston, TX 77002
(713) 821-2000

Issued On: March 1, 2017  Effective Date: March 1, 2017
# Mississippi Canyon Gas Pipeline, LLC

## FERC Gas Tariff

**Superseding**

**Second Revised Volume No. 1**

**Substitute Original Sheet No. 1**

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Form of FT-1 Firm Transportation Service Agreement  
Form of FT-2 Firm Transportation Service Agreement  

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PRELIMINARY STATEMENT

Mississippi Canyon Gas Pipeline, LLC is a natural gas company subject to the jurisdiction of the Federal Energy Regulatory Commission for the limited purpose of constructing, operating, and transporting natural gas through the Mississippi Canyon Pipeline, a 30-inch, 45 mile natural gas pipeline and appurtenant facilities extending from a platform in West Delta Block 143, offshore Louisiana, to the Venice Gas Plant in Plaquemines Parish, Louisiana.
The System Map can be viewed and/or downloaded at:

http://www.enbridge.com/Informational-Postings/Mississippi-Canyon/Tariff/Map.aspx
## STATEMENT OF EFFECTIVE TRANSPORTATION RATES

APPLICABLE TO RATE SCHEDULES CONTAINED IN
FERC GAS TARIFF ORIGINAL VOLUME NO. 1
(All Rates in $/Dth)

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Pursuant to the General Terms and Conditions, the above maximum and minimum rates shall be increased to include any applicable surcharges, including the Annual Charge Adjustment (ACA) applicable to the commodity rates. The current applicable ACA charge is published on the Commission's website located at [http://www.ferc.gov](http://www.ferc.gov).
1. AVAILABILITY

1.1 This Rate Schedule FT-1 is available to any person (hereinafter called Shipper) who requests transportation of natural gas on a firm basis through Transporter's Facility pursuant to Part 284 of the FERC's Regulations and who has executed a FT-1 Transportation Service Agreement for a minimum term of one year with Mississippi Canyon Gas Pipeline, LLC (hereafter called Transporter or Transportation Service Provider).

1.2 Transporter shall accept written transportation requests for firm service under this Rate Schedule on a first-come/first-served basis determined in accordance with the Shipper's transportation service request date. The transportation service request date shall be the date and time Transporter receives a request from the Shipper pursuant to Section 6 of this Rate Schedule. All requests for service under Rate Schedule FT-1 received on or before 3:00 p.m. CDT on July 1, 1996, shall be deemed to have the same date and time, and if the sum of all such requests and all requests for service under Rate Schedule FT-2 received on or before 3:00 p.m. CDT on July 1, 1996, exceed the design capacity of Transporter's Facility, then the available capacity shall be allocated to Shippers requesting service under Rate Schedules FT-1 and FT-2 pro rata, based on requested Maximum Daily Quantity. The unsatisfied portion of any requests for service under Rate Schedules FT-1 and/or FT-2 received on or before 3:00 p.m. CDT on July 1, 1996, shall be maintained on Transporter's firm transportation log and shall be considered first-come/first-served with respect to any future firm transportation capacity that becomes available on Transporter's Facility. Transporter shall offer such available firm capacity on a pro rata basis to each such Shipper having an unsatisfied request for service which was received on or before 3:00 p.m. CDT on July 1, 1996, from time to time as and when firm capacity becomes available, until the Shipper has subscribed to or declined firm capacity equal to the unsatisfied portion of its original request for service.
2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule shall apply to the transportation of natural gas, on a firm basis, up to the Maximum Daily Quantity set forth in the FT-1 Transportation Service Agreement.

2.2 Transportation service hereunder shall consist of the acceptance by Transporter of up to the Maximum Daily Receipt Quantity of natural gas tendered by Shipper for transportation at the Receipt Point(s) specified in Exhibit "A" to the executed FT-1 Transportation Service Agreement, the transportation of that natural gas through Transporter's Facility, and the delivery of equivalent quantities to Shipper or for Shipper's account up to the Maximum Daily Delivery Quantity at the Delivery Point(s) specified in Exhibit "A" to the executed FT-1 Transportation Service Agreement, all on a firm basis. Transporter shall not commence service until Transporter and Shipper have executed an FT-1 Transportation Service Agreement.

2.3 Transporter shall not be required to install, operate or maintain any additional facilities in order to provide transportation service under this Rate Schedule. However, if Shipper agrees to a New Facilities charge which will allow Transporter to provide the transportation service(s) requested by the Shipper, then Transporter shall install and operate the new facilities if such facilities do not adversely affect Transporter from providing transportation services under then existing Transportation Service Agreements subject to the receipt of all necessary regulatory authorizations. A New Facilities Charge shall not apply to any of Transporter's Facility constructed pursuant to the certificate issued in Docket No. CP96-159-000.

2.4 Service under this Rate Schedule shall be nominated in accordance with the procedures set forth in Section 11 of Transporter's General Terms and Conditions.

2.5 Capacity available for firm transportation shall be allocated among Shippers receiving service under Rate Schedules FT-1 and FT-2 in accordance with Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
3. DELIVERY AND RECEIPT POINTS, Pressures, Uniform Quantities

3.1 Receipt Points: The Primary Receipt Point(s) on Transporter's Facility shall be specified on Exhibit "A" to the FT-1 Transportation Service Agreement.

3.2 Delivery Points: The Primary Delivery Point(s) on Transporter's Facility shall be specified on Exhibit "A" to the FT-1 Transportation Service Agreement.

3.3 Pressures: Shipper shall deliver gas to Transporter at the pressure required from time to time to enable the gas to enter Transporter's Facility at the Receipt Point(s). Transporter shall operate Transporter's Facility at a pressure sufficient to deliver all quantities of gas which are scheduled to be delivered at the Venice Gas Plant Delivery Point. In no event shall Transporter be required to install compression to effect deliveries hereunder.

3.4 Uniform Quantities: As nearly as practicable, Shipper shall deliver and receive gas in uniform hourly quantities during any day.

4. Rates AND CHARGES

4.1 Applicable Rates: The applicable rates for service under Rate Schedule FT-1 are the maximum Reservation and Commodity Rates for Rate Schedule FT-1 shown on the effective Sheet No. 6 of Transporter's FERC Gas Tariff; provided, however, upon notice to Shipper, Transporter has the right at any time and from time to time to adjust the rates applicable to any transportation service under Rate Schedule FT-1, to any level not less than the minimum nor more than the maximum rates established for this Rate Schedule FT-1 and set forth on the effective Sheet No. 6 of Transporter's FERC Gas Tariff. In the event that Transporter makes such an adjustment, such adjusted rates (a) shall apply solely to service at the Receipt and/or Delivery Point(s) agreed upon by Transporter, and (b) shall be applicable for the period agreed upon by Transporter. Transporter shall file with the Commission the required reports of any adjustments below the maximum commodity and/or reservation rates for service under this Rate Schedule.
4.2 New Facilities Charge: In addition to the charges pursuant to Section 4.1 of this Rate Schedule, Transporter shall charge Shipper an amount to recoup the cost of new facilities constructed at the Shipper's request in order for Transporter to provide transportation service under this Rate Schedule. Neither the amount of any New Facilities Charge collected nor the costs of such facilities shall be recognized in establishing Transporter's general system rates. The applicable New Facilities Charge shall be stated in the FT-1 Transportation Service Agreement.

4.3 Incidental Charges: In addition to the charges pursuant to Section 4.1 and 4.2 of this Rate Schedule, Transporter shall charge Shipper an amount to recoup any filing or similar fees which Transporter incurs in rendering service hereunder, which have not been previously paid by Shipper. Transporter shall not use the amounts so collected either as revenues or costs in establishing its general system rates. The applicable Incidental Charges shall be stated in the FT-1 Transportation Service Agreement.

4.4 Losses. Shipper shall furnish its pro rata share of the quantity of gas required for losses associated with rendering transportation service pursuant to this Rate Schedule.

5. MONTHLY BILL

The Monthly Bill for deliveries under this Rate Schedule shall be equal to:

a. Reservation Charge: A reservation charge equal to the product of the applicable maximum Reservation Rate shown on effective Sheet No. 6 multiplied by the Maximum Daily Quantity specified in the FT-1 Transportation Service Agreement, multiplied by the Shipper Specific Heating value and multiplied by the number of days in the month; and

b. Commodity Charge: The applicable Commodity Rate set forth on effective Sheet No. 6, multiplied by the quantity of gas allocated at the Delivery Point(s) in the month; and
RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

Section 5 Monthly Bill – (cont'd)

c. Other Charges: Any applicable surcharges, such as the ACA charge as posted on the Commission’s website at www.ferc.gov, as set forth on Original Sheet No. 6, any applicable New Facilities Charges pursuant to Section 4.2, and any Incidental Charges pursuant to Section 4.3.

6. REQUESTS FOR FT-1 TRANSPORTATION SERVICE

6.1 Any person desiring transportation service under Rate Schedule FT-1 must provide the information required by this Section and on Transporter's Service Request Form included in Transporter's FERC Gas Tariff in order to qualify for transportation service. No request for transportation service will be entered on Transporter's log or scheduled for receipt and delivery until a completed Service Request Form has been provided. If Transporter determines that Shipper's request is incomplete or deficient, Transporter shall so notify Shipper. Shipper may supplement the request within 10 working days after such notice and preserve the date and time that the original request was received by Transporter. A request for service shall be made no earlier than ninety days prior to the proposed commencement date of service and shall not be accepted unless capacity to render the service is available; provided, however, if construction of facilities is required, the request may be made at an earlier date. A request for service may be made earlier than ninety days prior to the proposed commencement date of service if (i) the request is made on or before 3:00 p.m. CDT on July 1, 1996, and (ii) the effective date of the Transportation Service Agreement is a date not later than July 1, 2001.

All completed Service Request Forms are to be sent to:

Mississippi Canyon Gas Pipeline, LLC
1100 Louisiana, Suite 3300
Houston, TX 77002
Attention: Transportation Services
6.2 A request for transportation service must include the following:

(a) Gas Quantities: The Maximum Daily Quantity applicable to each Receipt Point(s) and Delivery Point(s) stated in Mcf and the estimated total quantities to be received and transported over the term, as defined in section 6.2(c) below. All stated MDQ’s shall be uniform for each month within the term.

(b) Receipt/Delivery Point(s): The designated Receipt Point(s) and Delivery Point(s) for the requested transportation together with the name of the entity delivering gas to Transporter and the name of the entity to receive the gas from Transporter.

(c) Term: The proposed commencement and termination dates of service; provided that the primary term shall not be less than one year.

(d) Shipper Certification: A statement by the Shipper certifying that all necessary upstream and downstream arrangements will be in place on the date the transportation service is to commence and that Shipper will have title to the gas to be delivered to Transporter.

(e) Facilities: Identification and location of any facilities to be constructed or installed by any party affected by the proposed transportation service.

6.3 Credit Evaluation

(a) Any person seeking new service from Transporter under Rate Schedule FT-1 must provide in priority order:

(i) A copy of Shipper's audited financial statements for the most recent twelve months or Annual Report and Form 10-K; or if not available.
RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

6.3(a) Credit Evaluation - (cont'd)

(ii) A copy of Shipper's most recent audited financial statement certified by the Chief Financial Officer or Chief Accounting Officer of the Shipper (which certificate shall state that such financial statements fairly present the financial condition and results of operations of the Shipper for the period indicated therein) prepared in accordance with generally accepted accounting principles; and in all cases

(iii) A list of Shipper's affiliates, including parent and subsidiaries, if applicable.

(b) In the event Shipper cannot provide the information in Section 6.3(a) above, Shipper shall, if applicable, provide that information for its parent company. Transporter shall not be required to perform or to continue service under Rate Schedule FT-1 on behalf of any Shipper who is or has become insolvent or who, at Transporter's request, fails within a reasonable period to demonstrate credit worthiness; provided, however, such Shipper may receive service under Rate Schedule FT-1 if Shipper prepays for such service or furnishes good and sufficient security, as determined by Transporter in its reasonable discretion, in an amount equal to the cost of performing the service requested by Shipper for a three month period. For purposes herein, the insolvency of a Shipper shall be conclusively demonstrated by the filing by Shipper or any parent entity thereof (hereinafter collectively referred to as "the Shipper") of a voluntary petition in bankruptcy or the entry of a decree or order by a court having jurisdiction in the premises adjudging the Shipper bankrupt or insolvent, or approving, as properly filed, a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Shipper under the Federal Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of
RATE SCHEDULE FT-1
FIRM TRANSPORTATION SERVICE (cont'd)

6.3(b) Credit Evaluation - (cont'd)

the Shipper or of any substantial part of its property, or
the ordering of the winding-up or liquidation of its
affairs, with said order or decree continuing unstayed and
in effect for a period of sixty (60) consecutive days.

6.4 Prepayment for Service

(a) Any person requesting firm service under Rate Schedule FT-1
must, along with the request, submit a check made out to
Transporter in an amount equal to the total reservation
charge(s) applicable to the proposed service for the
initial three month period. Such charge(s) shall be
calculated based on a Shipper Specific Heating Value of
1100 Btu per cubic foot of gas. All such prepayments made
to Transporter are to be sent to Transporter's designated
bank at an address to be furnished by Transporter.
Remittance should reference the Shipper's request ID number
(to be furnished by Transporter).

(b) If Transporter determines that firm capacity is available
to satisfy a request, than Transporter shall notify Shipper
in writing of Transporter's acceptance of Shipper's request
for service. An FT-1 Transportation Service Agreement
shall be executed between Transporter and Shipper. As of
the effective date of the FT-1 Transportation Service
Agreement, the entire amount of the prepayment (with
interest in the case of requests for service received on or
before 3:00 p.m. CDT on July 1, 1996) shall be credited to
Shipper's billing statements during the first months of
service until the total amount of the prepayment (with
interest in the case of requests for service received on or
before 3:00 p.m. CDT on July 1, 1996) is credited to
Shipper's billing statements. In the event that the FT-1
Transportation Service Agreement is not executed and
returned to Transporter within 30 days (60 days in the case
of requests for service on or before 3:00
6.4(b) Payment for Service - (cont'd)

p.m. CDT on July 1, 1996) after Transporter tendered it, Transporter shall consider the request for service invalid and retain the entire amount of the prepayment and interest (if applicable).

(c) If Transporter determines that firm capacity is not available to satisfy a request for service, then Transporter shall so notify the Shipper in writing, and the entire amount of the prepayment shall be refunded, with interest.

6.5 Modification of Service

Any modification of an existing transportation service under Rate Schedule FT-1 shall be requested by Shipper's submission of a new Service Request Form included in Transporter's FERC Gas Tariff with a notation on the form that the service requested is a modification of an existing service. Such modification shall be effective after the request for service has been fully processed and accepted by Transporter.

7. GENERAL TERMS AND CONDITIONS

Shipper shall provide Transporter with such information as is needed to meet the requirements placed on Transporter pursuant to 18 CFR Part 284. The General Terms and Conditions specified in Volume 1 of Transporter's FERC Gas Tariff are incorporated as part of this Rate Schedule.
1. AVAILABILITY

1.1 This Rate Schedule FT-2 is available to any person (hereinafter called Shipper) (a) who requests transportation of natural gas on a firm basis through Transporter's Facility under this Rate Schedule, (b) who has executed an FT-2 Transportation Service Agreement with Mississippi Canyon Gas Pipeline, LLC (hereinafter called "Transporter" or "Transportation Service Provider") for transportation service under this Rate Schedule, (c) who has executed a Reserve Commitment Agreement, and (d) who satisfies the requirements of this Rate Schedule.

1.2 Transporter shall have no obligation to accept any gas for transportation under this Rate Schedule FT-2 unless Shipper (a) agrees to commit for delivery into and transportation through Transporter's Facility all natural gas produced by or for the account of Shipper, pursuant to the terms of the Reserve Commitment Agreement, from Field(s) defined by specific Outer Continental Shelf (OCS) Blocks or State waters Blocks (such Field(s) being referred to herein as "Committed Field(s)"); and (b) demonstrates to Transporter's reasonable satisfaction the estimated proven recoverable reserves attributable to Shipper's interest in the Committed Field(s).

1.3 Transporter shall have no obligation to accept any gas for transportation under this Rate Schedule FT-2 other than gas produced from Shipper's working interest in the Committed Fields.

1.4 Transporter shall accept written requests for firm transportation service under this Rate Schedule on a first-come/first-served basis determined in accordance with the Shipper's transportation service request date. The transportation service request date shall be the date and time Transporter receives a Service Request Form from the Shipper pursuant to Section 6 of this Rate Schedule. All requests for service under Rate Schedule FT-2 received on or before 3:00 p.m. CDT on July 1, 1996, shall be deemed to have the same date and time, and if the sum of
all such requests and all requests for service under Rate Schedule FT-1 received on or before 3:00 p.m. CDT on July 1, 1996, exceed the design capacity of Transporter’s Facility, then the available capacity shall be allocated to Shippers requesting service under Rate Schedules FT-1 and FT-2 pro rata, based on requested Maximum Daily Quantity. The unsatisfied portion of any requests for service under Rate Schedules FT-1 and/or FT-2 received on or before 3:00 p.m. CDT on July 1, 1996, shall be maintained on Transporter's firm transportation log and shall be considered first-come/first-served with respect to any future firm transportation capacity that becomes available on Transporter's Facility. Transporter shall offer such available firm capacity on a pro rata basis to each such Shipper having an unsatisfied request for service which was received on or before 3:00 p.m. CDT on July 1, 1996, from time to time as and when firm capacity becomes available, until the Shipper has subscribed to or declined firm capacity equal to the unsatisfied portion of its original request for service.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule shall apply to the transportation of natural gas, on a firm basis, up to the Maximum Daily Quantity set forth in the FT-2 Transportation Service Agreement.

2.2 Transportation service hereunder shall consist of the acceptance by Transporter of up to the Maximum Daily Receipt Quantity of natural gas tendered by Shipper from the Committed Field(s) for transportation at the Receipt Point(s) specified in Exhibit "A" to the executed FT-2 Transportation Service Agreement, the transportation of that natural gas through Transporter's Facility, and the delivery of equivalent quantities to Shipper or for Shipper's account up to the Maximum Daily Delivery Quantity at the Delivery Point(s) specified in Exhibit "A" to the executed FT-2 Transportation Service Agreement, all on a firm basis. Transporter shall not commence service until Transporter and Shipper have executed an FT-2 Transportation Service Agreement and a Reserve Commitment Agreement.
2.3 Transporter shall not be required to install, operate or maintain any additional facilities in order to provide transportation service under this Rate Schedule. However, if Shipper agrees to a New Facilities Charge which will allow Transporter to provide the transportation service(s) requested by the Shipper, then Transporter shall install and operate the new facilities if such facilities do not adversely affect Transporter from providing transportation services under then existing Transportation Service Agreements subject to the receipt of all necessary regulatory authorizations. A New Facilities Charge shall not apply to any of Transporter's Facility constructed pursuant to the certificate issued in Docket No. CP96-159-000.

2.4 Service under this Rate Schedule shall be nominated in accordance with the procedures set forth in Section 11 of Transporter's General Terms and Conditions.

2.5 Capacity available for firm transportation shall be allocated among Shippers receiving service under Rate Schedules FT-1 and FT-2 in accordance with Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

3. DELIVERY AND RECEIPT POINTS, PRESSURES, UNIFORM QUANTITIES

3.1 Receipt Points: The Primary Receipt Point(s) on Transporter's Facility shall be specified on Exhibit "A" to the FT-2 Transportation Service Agreement.

3.2 Delivery Points: The Primary Delivery Point(s) on Transporter's Facility shall be specified on Exhibit "A" to the FT-2 Transportation Service Agreement.

3.3 Pressures: Shipper shall deliver gas to Transporter at the pressure required from time to time to enable the gas to enter Transporter's Facility at the Receipt Point(s). Transporter shall operate Transporter's Facility at a pressure sufficient to deliver all quantities of gas which are scheduled to be delivered at the Venice Gas Plant Delivery Point. In no event shall Transporter be required to install compression to effect deliveries hereunder.
RATE SCHEDULE FT-2
FIRM TRANSPORTATION SERVICE (cont'd)

3.4 Uniform Quantities: As nearly as practicable, Shipper shall deliver and receive gas in uniform hourly quantities during any day.

4. RATES AND CHARGES

4.1 Applicable Rates: The applicable rates for service under Rate Schedule FT-2 are the maximum FT-2 rates shown on the effective Sheet No. 6 of Transporter's FERC Gas Tariff; provided, however, upon notice to Shipper, Transporter has the right at any time and from time to time to adjust the rates applicable to any transportation service under Rate Schedule FT-2, to any level not less than the minimum nor more than the maximum rates established for this Rate Schedule FT-2 and set forth on the effective Sheet No. 6 of Transporter's FERC Gas Tariff. In the event that Transporter makes such an adjustment, such adjusted rates (a) shall apply solely to service at the Receipt and/or Delivery Point(s) agreed upon by Transporter, and (b) shall be applicable for the period agreed upon by Transporter. Transporter shall file with the Commission the required reports of any adjustments below the maximum commodity and/or reservation rates for service under this Rate Schedule.

4.2 New Facilities Charge: In addition to the charges pursuant to Section 4.1 of this Rate Schedule, Transporter shall charge Shipper an amount to recoup the cost of facilities constructed at the Shipper's request in order for Transporter to provide transportation service under this Rate Schedule. Neither the amount of any New Facilities Charge collected nor the costs of such facilities shall be recognized in establishing Transporter's general system rates. The applicable New Facilities Charge shall be stated in the FT-2 Transportation Service Agreement.

4.3 Incidental Charges: In addition to the charges pursuant to Sections 4.1 and 4.2 of this Rate Schedule, Transporter shall charge Shipper an amount to recoup any filing or similar fees which Transporter incurs in rendering service hereunder, which have not been previously paid by Shipper. Transporter shall not use the amounts so collected either
RATE SCHEDULE FT-2
FIRM TRANSPORTATION SERVICE (cont'd)

4.3 Incidental Charges - (cont'd)

as revenues or costs in establishing its general system rates. The applicable Incidental Charges shall be stated in the FT-2 Transportation Service Agreement.

4.4 Losses. Shipper shall furnish its pro rata share of the quantity of gas required for losses associated with rendering transportation service pursuant to this Rate Schedule.

5. MONTHLY BILL
The Monthly Bill for deliveries under this Rate Schedule shall be equal to:

a. Reservation Charge. Shipper must select one of the following options below at the time service is requested.

Option A: Annual Election

(i) If the summation of the quantity of gas allocated to Shipper's FT-2 Transportation Service Agreement at the Delivery Point(s) in the month plus the two preceding months equals or exceeds 70% of the Maximum Daily Quantity specified in the FT-2 Transportation Service Agreement for the same three months multiplied by the Shipper Specific Heating Value for the same three months and multiplied by the number of days in the months: a reservation charge equal to the product of the applicable Reservation Rate multiplied by the quantity of gas allocated to Shipper's FT-2 Transportation Service Agreement at the Delivery Point(s) during the month; or

(ii) If the summation of the quantity of gas allocated to Shipper's FT-2 Transportation Service Agreement at the Delivery Point(s) in the month plus the two preceding months is less than 70% of the Maximum Daily Quantity specified in the FT-2 Transportation Service Agreement for the same three months multiplied by the Shipper Specific Heating Value for the same three months and multiplied by the number of days in the months: a reservation charge equal to the product of the applicable Reservation Rate multiplied by the Maximum Daily Quantity specified in the FT-2 Transportation Service Agreement multiplied by the Shipper Specific Heating Value for the month and multiplied by the number of days in the month; and

(iii) The minimum number of Delivery Periods, as the term Delivery Period is defined in article 1.4 Option A of the FT-2 Transportation Service Agreement, shall be one(1).
5. (a) (continued):

Option Q: Quarterly Election

(i) If the summation of the quantity of gas allocated to Shipper's FT-2 Transportation Service Agreement at the Delivery Point(s) in the month plus the two preceding months equals or exceeds 80% of the Maximum Daily Quantity specified in the FT-2 Transportation Service Agreement for the same three months multiplied by the Shipper Specific Heating Value for the same three months and multiplied by the number of days in the months: a reservation charge equal to the product of the applicable Reservation Rate multiplied by the quantity of gas allocated to Shipper's FT-2 Transportation Service Agreement at the Delivery Point(s) during the month; or

(ii) If the summation of the quantity of gas allocated to Shipper's FT-2 Transportation Service Agreement at the Delivery Point(s) in the month plus the two preceding months is less than 80% of the Maximum Daily Quantity specified in the FT-2 Transportation Service Agreement for the same three months multiplied by the Shipper Specific Heating Value for the same three months and multiplied by the number of days in the months: a reservation charge equal to the product of the applicable Reservation Rate multiplied by the Maximum Daily Quantity specified in the FT-2 Transportation Service Agreement multiplied by the Shipper Specific Heating Value for the month and multiplied by the number of days in the month; and

(iii) The minimum number of Delivery Periods, as the term Delivery Period is defined in article 1.4 Option Q of the FT-2 Transportation Service Agreement, shall be four (4) and all Delivery Periods shall be consecutive.
RATE SCHEDULE FT-2
FIRM TRANSPORTATION SERVICE (cont'd)

5.(b) MONTHLY BILL - (cont'd)

b. Commodity Charge: The applicable Commodity Rate set forth on effective Sheet No. 6, multiplied by the quantity of gas allocated to Shipper's FT-2 Transportation Service Agreement at the Delivery Point(s) in the month; and

c. Other Charges: Any applicable surcharges, such as the ACA charge as posted on the Commission's website at www.ferc.gov, as set forth on Original Sheet No. 6, any applicable New Facilities Charges pursuant to Section 4.2, any Incidental Charges pursuant to Section 4.3.

6. REQUESTS FOR FT-2 TRANSPORTATION SERVICE

6.1 Any person desiring transportation service under Rate Schedule FT-2 must provide the information required by this Section and on Transporter's Service Request Form included in Transporter's FERC Gas Tariff in order to qualify for transportation service. No request for transportation service will be entered on Transporter's log, or scheduled for receipt and delivery until a completed Service Request Form has been provided. If Transporter determines that Shipper's request is incomplete or deficient, Transporter shall so notify Shipper. Shipper may supplement the request within 10 working days after such notice and preserve the date and time that the original request was received by Transporter. A request for service shall be made no earlier than ninety days prior to the proposed commencement date of service and shall not be accepted unless capacity to render the service is available; provided, however, if construction of facilities is required, the request may be made at an earlier date. A request for service may be made earlier than ninety days prior to the proposed commencement date of service if (i) the request is made on or before 3:00 p.m. CDT on July 1, 1996, and (ii) the effective date of the Transportation Service Agreement is a date not later than July 1, 2001.
RATE SCHEDULE FT-2
FIRM TRANSPORTATION SERVICE (cont'd)

All completed Service Request Forms are to be sent to:

Mississippi Canyon Gas Pipeline, LLC
1100 Louisiana, Suite 3300
Houston, TX 77002
Attention: Transportation Services

6.2 A request for transportation service must include the following:

(a) Gas Quantities: The maximum daily quantity (MDQ) applicable to each Receipt Point(s) and Delivery Point(s) stated in Mcf's and the estimated total quantities to be received and transported over the delivery period, supported by a life of lease production forecast for the Committed Field(s) prepared by Shipper or the operator(s) of the Committed Field(s). Shipper may request a separately stated MDQ under its FT-2 Transportation Service Agreement for specified Delivery Periods, as defined in article 1.4 of the FT-2 Transportation Service Agreement; however, such stated MDQ’s shall be uniform for each month within a Delivery Period; provided, however, that such separately stated MDQs are supported by a life of field production forecast for the Committed Field(s) prepared by Shipper or the operator(s) of the Committed Field(s).

(b) Receipt/Delivery Point(s): The designated Receipt Point(s) and Delivery Point(s) for the requested transportation together with the name of the entity delivering gas to Transporter and the name of the entity to receive the gas from Transporter.

(c) Term: The proposed commencement and termination dates of service which shall be supported by the production forecast submitted pursuant to subsection 6.2(a).
RATE SCHEDULE FT-2
FIRM TRANSPORTATION SERVICE (cont'd)

(d) Shipper Certification: A statement by the Shipper certifying that all necessary upstream and downstream arrangements will be in place on the date the transportation service is to commence and that Shipper will have title to the gas to be delivered to Transporter.

(e) Facilities: Identification and location of any facilities to be constructed or installed by any party affected by the proposed transportation service.

(f) Committed Field(s): Identification of the OCS or State waters Blocks that define the Committed Field(s), Shipper's interest therein, and supporting documentation of estimated proven recoverable reserves from the Committed Field(s). Partial commitments of a Field will only be accepted for the Mars Field and shall be in the form of a specified percentage of the natural gas produced by or for the account of Shipper from the Mars Field.

Pursuant to subsection 6.2(a), if in Transporter's judgment a submitted estimated production profile is not reasonable, then Transporter and Shipper shall meet and review the associated technical data that is the basis for the estimated production profile submitted by Shipper. Transporter and Shipper shall make a good faith attempt to concur on an estimated production profile which shall be utilized pursuant to subsection 6.2(a). If the parties can not reach agreement on an estimated production profile, then the technical data shall be supplied to a mutually acceptable and technically competent third party on a confidential basis to develop an estimated production profile which shall be utilized pursuant to subsection 6.2(a). All third party costs shall be equally borne by Shipper and Transporter.

6.3 Credit Evaluation

(a) Any person seeking new service from Transporter under Rate Schedule FT-2 must provide in priority order:
6.3 Credit Evaluation (a) (cont'd)

(i) A copy of Shipper's audited financial statements for the most recent twelve months or Annual Report and Form 10-K; or if not available

(ii) A copy of Shipper's most recent audited financial statement certified by the Chief Financial Officer or Chief Accounting Officer of the Shipper (which certificate shall state that such financial statements fairly present the financial condition and results of operations of the Shipper for the period indicated therein) prepared in accordance with generally accepted accounting principles; and in all cases

(iii) A list of Shipper's affiliates, including parent and subsidiaries, if applicable.

(b) In the event Shipper cannot provide the information in subsection 6.3(a), Shipper shall, if applicable, provide that information for its parent company. Transporter shall not be required to perform or to continue service under Rate Schedule FT-2 on behalf of any Shipper who is or has become insolvent or who, at Transporter's request fails within a reasonable period to demonstrate credit worthiness; provided, however, such Shipper may receive service under Rate Schedule FT-2 if Shipper prepays for such service or furnishes good and sufficient security, as determined by Transporter in its reasonable discretion, in an amount equal to the cost of performing the service requested by Shipper for a three month period. For purposes herein, the insolvency of a Shipper shall be conclusively demonstrated by the filing by Shipper or any parent entity thereof (hereinafter collectively referred to as "the Shipper") of a voluntary petition in bankruptcy or the entry of a decree or order by a court having jurisdiction in the premises adjudging the Shipper bankrupt or insolvent, or approving, as properly filed, a petition seeking reorganization,
RATe SCHEDULE FT-2
FIRM TRANSPORTATION SERVICE (cont'd)

6.3(b) Credit Evaluation - (cont'd)

Arrangement, adjustment or composition of or in respect of the Shipper under the Federal Bankruptcy Code or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Shipper or of any substantial part of its property, or the ordering of the winding-up or liquidation of its affairs, with said order or decree continuing unstayed and in effect for a period of sixty (60) consecutive days.

6.4 Prepayment for Service

(a) Any person requesting firm service under Rate Schedule FT-2 must along with the request, submit a check made out to Transporter in an amount equal to the total reservation charge(s) applicable to the proposed service for the initial three-month period. Such charge(s) shall be calculated based on a Shipper Specific Heating Value of 1100 Btu per cubic foot of gas. All such prepayments made to Transporter are to be sent to Transporter's designated bank at an address to be furnished by the Transporter. Remittance should reference the Shipper's request ID number (to be furnished by Transporter).

(b) If Transporter determines that firm capacity is available to satisfy a request, then Transporter shall notify Shipper in writing of Transporter's acceptance of Shipper's request for service. An FT-2 Transportation Service Agreement shall be executed between Transporter and Shipper. As of the effective date of the Transportation Service Agreement, the entire amount of the prepayment (with interest in the case of requests for service received on or before 3:00 p.m. CDT on July 1, 1996) shall be credited to Shipper's billing statements during the first months which the Transportation Service Agreement is in effect until the total amount of the prepayment (with interest in the case of requests for service received on or before
RATE SCHEDULE FT-2
FIRM TRANSPORTATION SERVICE (cont'd)

6.4 Prepayment for Services (b) - (cont'd)

3:00 p.m. CDT on July 1, 1996) is credited to Shipper's billing statements. In the event the FT-2 Transportation Service Agreement is not executed and returned to Transporter within 30 days (60 days in the case of requests for service received on or before 3:00 p.m. CDT on July 1, 1996) after Transporter tendered it, Transporter shall consider the request for service invalid and retain the entire amount of the prepayment and interest (if applicable).

(c) If Transporter determines that firm capacity is not available to satisfy a request for service, then Transporter shall so notify the Shipper in writing, and the entire amount of the prepayment shall be refunded, with interest.

6.5 Modification of Service

Any modification of Receipt and/or Delivery Point(s) of an existing FT-2 Transportation Service Agreement shall be requested by Shipper's submission of a new Service Request Form included in Transporter's FERC Gas Tariff with a notation on the form that the service requested is a modification of an existing service. Such modification shall be effective after the request for service has been fully processed and accepted by Transporter. Transporter shall not be obligated to accept any modifications of an existing FT-2 Transportation Service Agreement, except as provided herein, other than changes of existing Receipt and/or Delivery Points; except that subject to available capacity, and prior to August 1, 2000, additional field(s) or additional commitment of an existing partially committed Field can be committed to an FT-2 Transportation Service Agreement subscribed during the Open Season.
RANGE SCHEDULE FT-2
FIRM TRANSPORTATION SERVICE (cont'd)

7. REDUCTIONS IN MDQ

Shipper shall have the right, at any time and from time to time, to permanently reduce, in whole or by a uniform quantity within all months of a Delivery Period, the MDQ under its FT-2 Transportation Service Agreement, for any given Delivery Period(s) set forth on Exhibit A thereto, on six (6) months' prior written notice to Transporter. In consideration of the foregoing MDQ reduction rights, Shipper will agree to waive its rights to any revenues from a release of its FT-2 capacity pursuant to Section 19 of the General Terms and Conditions to the extent such revenues exceed the charges payable by Shipper under its FT-2 Transportation Service Agreement.

8. SUCCESSORS AND ASSIGNS

Shipper's FT-2 Transportation Service Agreement may be assigned to assignees of Shipper's interest in the Committed Field(s) who satisfy the requirements of Section 6.3 of this Rate Schedule. No assignment shall relieve Shipper of its obligations under the FT-2 Transportation Service Agreement.

9. GENERAL TERMS AND CONDITIONS

Shipper shall provide Transporter with such information as is needed to meet the requirements placed on Transporter pursuant to the Commission's orders and regulations. The General Terms and Conditions specified in Volume 1 of Transporter's FERC Gas Tariff are incorporated as part of this Rate Schedule, to the extent not inconsistent herewith.

10. GAS PRODUCTION FORECAST UPDATES

10.1 Updated Gas Production Forecast

Upon request of Transporter pursuant to section 10.2 below, Shipper shall submit an updated gas production forecast to support its MDQs. The updated gas production forecasts shall consist of:

(i) actual production history by month for each Committed Field(s) for the current year and past four years (if applicable), and
(ii) production development forecasts by month by Committed Field(s) for the next ten years.

10.2 Request for Updates

Transporter may request that Shipper update its production forecast, as described in Section 10.1, to support Shipper's MDQs when:

(i) firm capacity is required to accommodate new shippers who have requested firm capacity and such capacity is unavailable, or
(ii) Transporter is considering a system expansion, or
(iii) Transporter is evaluating an existing Shipper’s request to
10. GAS PRODUCTION FORECAST UPDATES, (cont’d)

10.2 Request for Updates (cont’d)
   (iii) (cont’d) increase or decrease its MDQ, including a permanent reduction pursuant to Section 7.

   Shipper shall provide such information, provided Transporter shall not require such updates more often than two times within any calendar year.

10.3 Technical Data

   Transporter may request supporting technical data from Shipper to substantiate updated gas production forecasts. Shipper shall supply such supporting technical data on a confidential basis. Transporter will review the technical data to evaluate the reasonableness of Shipper’s proposed MDQs.

10.4 Changes to MDQ

   Shipper’s MDQs may be increased based on the updated production forecast only to the extent firm capacity is available and not previously committed to another Shipper, in accordance with Section 6.5.

   If the updated gas production forecast does not support a Shipper’s previous MDQ profile, then Shipper will be required to submit a Service Request Form to amend Exhibit A of the FT-2 Transportation Service Agreement to conform its MDQs to the updated gas production forecasts effective the next available Delivery Period after six months notice, as provided in Section 6.2(a).

10.5 Third Party Analysis

   If in Transporter’s judgment the updated gas production forecast and associated MDQs are not reasonable, then Transporter shall meet with Shipper to review any technical data that is the basis for the updated gas production forecast.
10. GAS PRODUCTION FORECAST UPDATES (cont’d)

10.5 Third Party Analysis (cont’d)

Transporter and Shipper shall make a good faith attempt to concur on an updated gas production forecast. If the parties cannot reach agreement on the updated gas production forecast and the associated MDQs, then the technical data provided by Shipper shall be supplied to a mutually acceptable and technically competent third party on a confidential basis to develop an updated gas production forecast, which will be utilized by Transporter. Such third party shall not have been previously retained by Shipper or other Shipper(s) holding an interest in the leases in question for any analysis of the lease in question.

Shipper will be required to submit a Service Request Form to amend Exhibit A of its FT-2 Rate Schedule to reflect the MDQs supported by the third party analysis to the extent capacity is available. Shipper and Transporter will share all third party costs equally.
RANGE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

1.1 This Rate Schedule IT-1 is available to any person (hereinafter called Shipper) who requests transportation of natural gas on an interruptible basis through Transporter's Facility pursuant to Part 284 of the FERC's Regulations and who has executed an IT-1 Transportation Service Agreement with Mississippi Canyon Gas Pipeline, LLC (hereinafter called Transporter) for transportation service under this Rate Schedule.

1.2 Transporter shall accept written transportation requests for interruptible service under this Rate Schedule on a first-come/first-served basis determined in accordance with the Shipper's transportation service request date. The transportation service request date shall be the date and time Transporter receives a request from the Shipper pursuant to Section 6 of this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule shall apply to the transportation of natural gas, on an interruptible basis, when and to the extent that Transporter determines that capacity is available in its existing facilities, subject to the availability of capacity sufficient to provide service up to the Maximum Daily Quantity set forth in the associated IT-1 Transportation Service Agreement.

2.2 Transportation service hereunder shall consist of the acceptance by Transporter of natural gas tendered by Shipper for transportation at the Receipt Point(s) specified in Exhibit "A" to the executed IT-1 Transportation Service Agreement, and the delivery of equivalent quantities to Shipper or for Shipper's account at the Delivery Point(s) specified in Exhibit "A" to the executed IT-1 Transportation Service Agreement, all on an interruptible basis. Transporter shall not commence service until Transporter and Shipper have executed an IT-1 Transportation Service Agreement.
RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

2.3 Transporter shall not be required to install, operate or maintain any additional facilities in order to provide transportation service under this Rate Schedule. However, if Shipper agrees to a New Facilities Charge which will allow Transporter to provide the transportation service(s) requested by the Shipper, then Transporter shall install and operate the new facilities if such facilities do not adversely affect Transporter from providing transportation services under then existing Transportation Service Agreements.

2.4 Service under this Rate Schedule shall be nominated in accordance with the procedures set forth in Section 11 of Transporter's General Terms and Conditions.

2.5 Capacity available for transportation under Rate Schedule IT-1 shall be allocated among Shippers receiving service under Rate Schedule IT-1 in accordance with Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

3. DELIVERY AND RECEIPT POINTS; PRESSURE; UNIFORM QUANTITIES

3.1 Receipt Points: All receipt points on Transporter's Facility, shall be available as Receipt Points for gas transported under this Rate Schedule.

3.2 Delivery Points: All Delivery Points on Transporter's Facility shall be available as Delivery Points for gas transported by Transporter under this Rate Schedule.

3.3 Pressures: Shipper shall deliver gas to Transporter at the pressure required from time to time to enable the gas to enter Transporter's Facility at the Receipt Point(s). Transporter shall operate Transporter's Facility at a pressure sufficient to deliver all quantities of gas which are scheduled to be delivered at the Venice Gas Plant Delivery Point. In no event shall Transporter be required to install compression to effect deliveries hereunder.

3.4 Uniform Quantities: As nearly as practicable, Shipper shall deliver and receive gas in uniform hourly quantities during any day.
RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (cont'd)

4. RATES AND CHARGES

4.1 Applicable Rates: The rates for service under Rate Schedule IT-1 are the maximum IT-1 rates shown on effective Sheet No. 6 of Transporter's FERC Gas Tariff; provided, however, Transporter, upon notice to Shipper, has the right at any time and from time to time to adjust the rate applicable to any transportation service under Rate Schedule IT-1 to any level not less than the minimum nor more than the maximum rate established for this Rate Schedule IT-1 and set forth on effective Sheet No. 6 of Transporter's FERC Gas Tariff. In the event that Transporter makes such an adjustment, such adjusted rate (a) shall apply solely to service at the Receipt and/or Delivery Points agreed upon by Transporter and (b) shall be applicable solely for the quantity and period agreed upon by Transporter. Transporter shall file with the Commission the required reports of any adjustments below the maximum commodity rate for service under this Rate Schedule.

4.2 New Facilities Charge: In addition to the charges pursuant to Section 4.1 of this Rate Schedule, Transporter shall charge Shipper an amount to recoup the cost of new facilities constructed at the Shipper's request in order to provide transportation service under this Rate Schedule IT-1. Neither the amount of any New Facilities Charge collected nor the costs of such facilities shall be recognized in establishing Transporter's general system rates. The applicable New Facilities Charge shall be stated in the IT-1 Transportation Service Agreement.

4.3 Incidental Charges: In addition to the charges pursuant to Section 4.1 and 4.2 of this Rate Schedule, Transporter shall charge Shipper an amount to reimburse Transporter for any filing or similar fees, which have not been previously paid by Shipper, which Transporter incurs in rendering service hereunder. Transporter shall not use the amounts so collected as revenue or costs in establishing its general system rates. The applicable Incidental Charges shall be stated in the IT-1 Transportation Service Agreement.
RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (Cont'd)

4.4 Other Charges: Any applicable surcharges, such as the ACA charge as posted on the Commission’s website at www.ferc.gov, as set forth on Original Sheet No. 6, any applicable New Facilities Charges pursuant to Section 4.2, and any Incidental Charges pursuant to Section 4.3.

4.5 Losses: Shipper shall furnish its pro rata share of the quantity of gas required for losses associated with rendering transportation service pursuant to this Rate Schedule.

5. MONTHLY BILL

The Monthly Bill for deliveries under this Rate Schedule shall be equal to the Commodity Rate set forth on effective Sheet No. 6 multiplied by the quantity of natural gas allocated at the Delivery Points in the month, and any applicable New Facilities Charges pursuant to Section 4.2, any Incidental Charges pursuant to Section 4.3, and any applicable surcharges as shown on the effective Sheet No. 6 of Transporter's FERC Gas Tariff.

6. REQUESTS FOR IT-1 TRANSPORTATION SERVICE

6.1 Any person desiring transportation service under Rate Schedule IT-1 must provide the information required by this Section and on Transporter's Service Request Form included in Transporter's FERC Gas Tariff in order to qualify for transportation service. No request for transportation service will be entered on Transporter's log or scheduled for receipt and delivery until a completed Service Request Form has been provided. If Transporter determines that Shipper's request is incomplete or deficient, Transporter shall so notify Shipper. Shipper may supplement the request within 10 working days after such notice and preserve the date and time that the original request was received by Transporter. A request for service shall be made no earlier than ninety days prior to the proposed commencement date of service; provided, however, if construction of facilities is required, the request may be made at an earlier date. A request for service may be made earlier than ninety days on the proposed commencement date of service if (i) the request is made on or before 3:00 p.m. CDT on July 1, 1996, and (ii) the effective date of the Transportation Service Agreement is a date not later than July 1, 2001.
RATE SCHEDULE IT-1
INTERURUPTIBLE TRANSPORTATION SERVICE (Cont'd)

All completed Service Request Forms are to be sent to:

Mississippi Canyon Gas Pipeline, LLC
1100 Louisiana, Suite 3300
Houston, Texas 77002
Attention: Transportation Services

6.2 A request for transportation service must include the following:

(a) Gas Quantities: The maximum daily quantity applicable to each Receipt Point(s) and Delivery Point(s) stated in Mcf and the estimated total quantities to be received and transported over the delivery period.

(b) Receipt/Delivery Point: The designated Receipt Point(s) and Delivery Point(s) for the requested transportation together with the name of the entity delivering gas to Transporter and the name of the entity to receive the gas from Transporter.

(c) Term: The proposed commencement and termination dates of service.

(d) Shipper Certification: A statement by the Shipper certifying that all necessary upstream and downstream arrangements will be in place on the date the transportation service is to commence and that Shipper will have title to the gas to be delivered to Transporter.

(e) Facilities: Identification and location of any facilities to be constructed or installed by any party affected by the proposed transportation service.

6.3 Credit Evaluation

(a) Any person seeking service from Transporter under Rate Schedule IT-1 must provide in priority order:
RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (Cont'd)

(i) A copy of Shipper's audited financial statements for the most recent twelve months or annual report and Form 10-K; or if not available

(ii) A copy of Shipper's most recent audited financial statements certified by the Chief Financial Officer or Chief Accounting Officer of the Shipper (which certificate shall state that such financial statements fairly represent the financial condition and results of operations of the Shipper for the period indicated therein) prepared in accordance with generally accepted accounting principles; and in all cases

(iii) A list of Shipper's affiliates, including parent and subsidiaries, if applicable.

(b) In the event Shipper cannot provide the information in subsection 6.3(a), Shipper shall, if applicable, provide that information for its parent company. Transporter shall not be required to perform or to continue service under Rate Schedule IT-1 on behalf of any Shipper who is or has become insolvent or who, at Transporter's request, fails within a reasonable period to demonstrate credit worthiness; provided, however such Shipper may receive service under Rate Schedule IT-1 if Shipper prepays for such service or furnishes good and sufficient security, as determined by Transporter in its reasonable discretion, in an amount equal to the cost of performing the service requested by Shipper for a three month period. For purposes herein, the insolvency of a Shipper shall be conclusively demonstrated by the filing by Shipper or any parent entity thereof (hereinafter collectively referred to as "the Shipper") of a voluntary petition in bankruptcy or the entry of a decree or order by court having jurisdiction in the premises adjudging the Shipper bankrupt or insolvent, or approving, as properly filed, a petition seeking reorganization, arrangement, adjustment or composition of or in
RATE SCHEDULE IT-1
INTERRUPTIBLE TRANSPORTATION SERVICE (Cont'd)

respect of the Shipper under the Federal Bankruptcy Act or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Shipper or of any substantial part of its property, or the ordering of the winding-up or liquidation of its affairs, with said order or decree continuing unstayed and in effect for a period of sixty (60) consecutive days.

6.4 Modification of Service

Any modification of an existing transportation service under Rate Schedule IT-1 shall be requested by Shipper's submission of a new Service Request Form included in Transporter's FERC Gas Tariff with a notation on the form that the service requested is a modification of an existing service. Such modification shall be effective after the request for service has been fully processed and accepted by Transporter.

7. GENERAL TERMS AND CONDITIONS

Shipper shall provide Transporter with such information as is needed to meet the requirements placed on Transporter pursuant to 18 CFR Part 284. The General Terms and Conditions specified in Volume No. 1 of Transporter's FERC Gas Tariff are incorporated as part of this Rate Schedule.
## GENERAL TERMS AND CONDITIONS

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<td>153</td>
</tr>
<tr>
<td>32</td>
<td>Non-Conforming Agreements</td>
<td>155</td>
</tr>
</tbody>
</table>
GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

The following terms, when used in this Tariff, these General Terms and Conditions, or in a Transportation Service Agreement executed for service under a Rate Schedule contained in this Tariff, shall have the following meanings:

(a) The "Bid Period" shall mean the length of time commencing with the posting of an Offer, pursuant to Section 19.9, and terminating at 2:00 p.m. CCT the day before nominations are due.

(b) The term "British thermal unit (Btu)" shall mean the amount of heat required to raise the temperature of one avoirdupois pound of pure water from 58-1/2 to 59-1/2 degrees Fahrenheit at a constant pressure of 14.73 psia. The standard Btu is the International Btu, which is also called the Btu(IT).

(c) The term "bumping" shall mean that a shipper with a higher priority transportation service level will displace previously scheduled volumes of a lower priority transportation service level.

(d) The term "Business Day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S., and similar holidays for transactions occurring in Canada and Mexico.

(e) The term "Calendar Quarter" shall mean a consecutive three (3) month period beginning on one of the following dates: January 1, April 1, July 1 or October 1.

(f) The term "Central Clock Time" and "CCT" shall mean central daylight time when daylight savings time is in effect and central standard time when daylight savings time is not in effect.

(g) The term "Day" or "Gas Day" shall mean a period of twenty-four consecutive hours, beginning and ending at 9:00 a.m. CCT.

(h) The term "Dekatherm (Dth)" shall mean the quantity of heat energy which is equivalent to 1,000,000 British Thermal Units. One "Dekatherm" of Gas shall mean the quantity of gas which contains one dekatherm of heat energy.
GENERAL TERMS AND CONDITIONS

(i) The term "Delivery Point" shall mean the point of delivery for quantities of gas to be delivered by Transporter to Shipper, as described in the executed Transportation Service Agreement between Shipper and Transporter.

(j) The term "equivalent quantities", unless otherwise stated in the Transportation Service Agreement, shall mean the thermal quantities of the natural gas stream (as defined in Section 1(y) hereof) received by Transporter at the Receipt Point(s) for transportation to a Delivery Point(s) adjusted for (i.e., increased or decreased as appropriate) the thermal equivalent of (i) the Liquids owned by the Shipper and transported onshore by Transporter for the Shipper; (ii) Retrograde Condensate owned by the Shipper that condenses from the natural gas stream prior to the Delivery Point(s) and is transported onshore by Transporter for the Shipper; and (iii) Shipper's pro rata share of any gain of or lost-and-unaccounted-for gas (in a gaseous state) associated with the operation of Transporter's Facility. Transporter is only obligated to deliver to the Shipper equivalent quantities of the thermal content of the natural gas stream received from the Shipper at a Receipt Point(s) minus the thermal equivalent of the Shipper’s proportionate share of Liquids and/or Retrograde Condensate, if any, allocated to the Shipper onshore. Transporter is not obligated to allocate to a Shipper that has not executed effective Liquids transportation and Separation-Stabilization Facility agreements, any Liquids, or Retrograde Condensate in Transporter’s Facility; provided, however, Transporter shall be obligated to deliver to the Shipper that has not executed effective Liquids transportation and Separation-Stabilization Facility agreements the same quantities of thermal content of gas at the Delivery Point(s) as Transporter received in a gaseous state for the Shipper at the Receipt Point(s) adjusted for Shipper’s pro rata share of any gain of or lost-and-unaccounted-for gas associated with the operation of Transporter’s Facility. The title to any gas resulting from vaporization of any Liquids and/or Retrograde Condensate injected into or occurring in Transporter’s Facility shall be deemed to have transferred at the Receipt Point(s) to each Shipper allocated a share of such gas.

(k) The term "FERC or Commission" shall mean the Federal Energy Regulatory Commission.
The term "firm" shall mean not subject to interruption except as otherwise provided in Rate Schedules FT-1 or FT-2, the applicable FT-1 or FT-2 Transportation Service Agreements, or the General Terms and Conditions of Transporter's FERC Gas Tariff.

The term “Liquids” shall mean hydrocarbons consistent with the quality specifications in Section 2.1(b) that are injected into Transporter’s Facility at a Receipt Point(s) in a liquid state, allocated to a Shipper and transported to the Separation-Stabilization Facility. Liquids shall only be transported pursuant to an effective Liquids transportation agreement between the Liquids owner and Transporter. Title to any Liquids injected into Transporter’s Facility by the Liquids owner that has not executed an effective Liquids transportation and Separation-Stabilization Facility agreements shall be relinquished by the owner.

The owner relinquishing title to such Liquids shall not be entitled to receive back from Transporter, or any Shipper at a Delivery Point(s), either Liquids, or the thermal equivalent of Liquids, injected into Transporter’s Facility. Title to Liquids relinquished by a Shipper pursuant to this Tariff provision shall transfer at the Receipt Point(s), and such Liquids shall be allocated on a pro-rata basis, to other Shippers holding effective Liquids transportation and Separation-Stabilization Facility agreements.

The term “NAESB” shall mean the North American Energy Standards Board.

The term “NAESB Standard” shall mean the standards issued by NAESB and adopted by the Federal Energy Regulatory Commission.

The term "Interactive Internet Website" shall mean Transportation Service Provider's web based browser application for allowing companies that have signed an Interactive Internet Website Agreement access to transportation related information via interactive screens and reports.

The term "Internet Web Site" shall mean Transportation Service Provider's public information system found on the World Wide Web at address: http://www.enbridge.com.

The term "interruptible" shall mean subject to interruption when and to the extent that Transporter determines that capacity is not available in its existing facilities, and as provided in Rate Schedule IT-1, the applicable IT-1 Transportation Service Agreement, and the General Terms and Conditions of Transporter's FERC Gas Tariff.
GENERAL TERMS AND CONDITIONS (cont'd)

1. DEFINITIONS (cont'd)

(s) The term "Maximum Daily Quantity" (MDQ) shall mean the maximum daily quantity of gas in Mcf which Transporter agrees to receive at Receipt Point(s) (excluding lost-and-unaccounted-for gas) and transport for the account of Shipper on each day during the term of the Shipper's Transportation Service Agreement.

(t) The term "Mcf" shall mean 1,000 cubic feet of gas.

(u) The term "MDQ make-up nomination" shall mean a nomination by Shipper pursuant to a Transportation Service Agreement under Rate Schedules FT-1 or FT-2 which if accepted by Transporter would result in the summation of all nominations by the same Shipper exceeding the MDQ under the associated Transportation Service Agreement multiplied by the Shipper Specific Heating Value. An MDQ make-up nomination shall only be valid ("valid MDQ make-up nomination") if under the associated Transportation Service Agreement the summation of Shipper's scheduled quantities at Receipt Points is less than the summation of the MDQ multiplied by the Shipper Specific Heating Value when both are summed over the number of days in the then current month prior to the date of the make-up nomination.

(v) The term "Maximum Daily Delivery Quantity" (MDDQ) shall mean the maximum daily quantity of gas in Mcf that Transporter agrees to deliver to or for the account of Shipper at each Delivery Point on each day during the term of Shipper's Transportation Service Agreement, as set forth on Exhibit "A" to the Transportation Service Agreement.

(w) The term "Maximum Daily Receipt Quantity" (MDRQ) shall mean the maximum daily quantity of gas in Mcf that Transporter agrees to receive from or for the account of Shipper at each Receipt Point on each day during the term of Shipper's Transportation Service Agreement, as set forth on Exhibit "A" to the Transportation Service Agreement.

(x) The term "month" shall mean the period beginning at 9:00 a.m. CCT on the first day of the calendar month and ending 9:00 a.m. CCT on the first day of the next succeeding calendar month.
1. DEFINITIONS (cont'd)

(y) The term "natural gas" or "gas" shall mean any mixture of hydrocarbons consisting essentially of methane, other hydrocarbons, and noncombustible gases in a gaseous state which is extracted from the subsurface of the earth in its natural state. The term "natural gas stream" includes "natural gas" or "gas", separately and together with Liquids, meeting the quality specifications set forth in Section 2 hereof, and Retrograde Condensate.

(z) The term "new facilities" shall mean those facilities on Transporter's System which were not included in the certificate filing in Docket CP96-159-000 which are necessary in order for Transporter to provide the transportation service(s) that a Shipper requests by use of the Service Request Form (for example, a new, additional Receipt and/or Delivery Point).

(aa) The term “Nomination Period” shall mean a period of time a customer includes in a nomination for gas services.

(ab) The term “Operational Balancing Agreement” or “OBA” shall mean a contract between two parties which specifies the procedures to manage operating variances at an interconnect.

(ac) The term “Operational Flow Order” or “OFO” shall mean an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of the Transportation Service Provider’s system or to maintain operations required to provide efficient and reliable firm service. Whenever a Transportation Service Provider experiences these conditions, any pertinent order should be referred to as an Operational Flow Order.

(ad) The term “Pooling” shall mean (a) the aggregation of gas from multiple physical and/or logical points to a single or physical or logical point, and/or (b) the dis-aggregation of gas from a single physical or logical point to multiple physical and/or logical points.
1. DEFINITIONS (cont'd)

(ae) The term “psia” shall mean pounds per square inch absolute.

(af) The term “psig” shall mean pounds per square inch gauge.

(ag) The term “Retrograde Condensate” shall mean hydrocarbons delivered to Transporter’s Facility as part of the natural gas stream in a gaseous state but which condense in Transporter’s Facility and are separated-stabilized onshore at the Separation-Stabilization Facility. Any Shipper that has not entered into effective Liquids transportation and Separation-Stabilization Facility agreements shall be deemed to have relinquished title to all Retrograde Condensate otherwise attributable to the natural gas stream delivered to Transporter at a Receipt Point(s). Title to Retrograde Condensate relinquished by a Shipper pursuant to this Tariff provision shall transfer at the Separation-Stabilization Facility, and such Retrograde Condensate shall be allocated on a pro-rata basis, to other Shippers holding effective Liquids transportation and Separation-Stabilization Facility agreements. Any Shipper receiving a pro-rata allocation of such Retrograde Condensate shall be responsible for providing to Transporter quantities of gas that are thermally equivalent to the Shipper’s allocation of Retrograde Condensate.

(ah) The term “scheduled quantity” shall mean the quantity of natural gas in Dth that (a) Shipper nominates for receipt by Transporter at a Receipt Point (including lost-and-unaccounted-for gas) and/or for redelivery by Transporter to Shipper at a Delivery Point, and that (b) Transporter schedules for receipt or delivery, and that (c) the operator of the connecting facilities confirms.

(ai) The term “Separation-Stabilization Facility” shall mean the facility attached to Transporter’s system upstream of the Delivery Point for gas that provides separation and stabilization of Shipper’s Liquids and/or Retrograde Condensate.

(aj) The term "Shipper" or "Service Requester" shall mean a party which executes a Transportation Service Agreement with Transporter for a natural gas transportation service under Transporter's Rate Schedule FT-1, FT-2 or IT-1.
GENERAL TERMS AND CONDITIONS (cont'd)

1. DEFINITIONS (cont'd)

(ak) The term "Shipper Specific Heating Value" shall mean the total heating value of the quantity of gas that a specific Shipper delivers to Transporter at a Receipt Point for transportation pursuant to a Transportation Service Agreement. If Shipper delivers gas to Transporter at multiple Receipt Points, then for non-Receipt Point specific purposes, Shipper Specific Heating Value shall be the weighted average of the Shipper Specific Heating Value at each applicable Receipt Point.

(al) The term "total heating value" shall mean the number of Btu produced by the complete combustion with air, at constant pressure, of 1 anhydrous (dry) cubic foot of gas, at a temperature of 60 degrees Fahrenheit and under a pressure of 14.73 psia, and when the products of combustion are cooled to the initial temperature of the gas and air and all water formed by combustion is condensed to the liquid state. For reporting purposes, the total heating value (BTU per cubic foot of gas)(BTU conversion factors) shall be reported to not less than 3 decimal places and Pressure Base conversion factors should be reported to not less than 6 decimal places. For calculation purposes, not less than 6 decimal places shall be used for both conversion factors.

(am) The term "transportation service" shall include transportation, exchange, or backhaul service.

(an) The term "Transporter" or “Transportation Service Provider” shall mean Mississippi Canyon Gas Pipeline, LLC.

(ao) The term "Transporter's Facility" shall mean Transporter's 30-inch, 45 mile natural gas pipeline and appurtenant facilities extending from a platform in West Delta Block 143, offshore Louisiana, to the Venice Gas Plant in Plaquemines Parish, Louisiana.

(ap) The term "year" shall mean a period of 365 consecutive days; provided, however, that any year which contains a date of February 29 shall consist of 366 consecutive days.

(ag) Monthly Allocation is the term used to describe the process where the Allocating Party performs the allocation process at the end of the monthly flow period.

(ar) Daily Allocation is the term used to describe the process where the Allocating Party performs the allocation process following each Gas Day.
GENERAL TERMS AND CONDITIONS (cont'd)

2. QUALITY

The quality specifications herein shall apply to all gas delivered to Transporter by Shipper under Rate Schedules FT-1, FT-2 and IT-1.

2.1 Specifications

All gas delivered or caused to be delivered by Shipper to Transporter at the Receipt Point(s) shall conform to the following quality specifications, any of which may be waived by Transporter in its discretion on a nondiscriminatory basis:

(a) Oxygen. The gas shall not contain more than two-tenths of one percent (0.2%) by volume of oxygen, and Shipper shall make every reasonable effort to keep the gas free of oxygen.

(b) Liquids. The gas shall contain a quantity of hydrocarbons in liquid form (i.e. liquids that have condensed from the gas stream at the production sources or in upstream pipelines) no greater than 40 barrels per million cubic feet of gas being concurrently delivered to Transporter at the temperature and pressure at which the gas is delivered to Transporter and shall contain no more than 7 pounds of water vapor per million cubic feet.

(c) Hydrogen Sulfide. The gas shall not contain more than 0.25 of a grain of hydrogen sulfide per hundred cubic feet.

(d) Temperature. The gas shall have a temperature of not more than one hundred twenty degrees (120) Fahrenheit and not less than forty (40) degrees Fahrenheit.

(e) Sulfur. The gas shall not contain more that twenty (20) grains of total sulfur per hundred cubic feet.
GENERAL TERMS AND CONDITIONS (cont'd)

2.1 Specifications - (cont'd)

(f) Carbon Dioxide/Nitrogen. The gas shall not contain more than three percent (3%) by volume of a combined total of carbon dioxide and nitrogen components; provided, however, that the total carbon dioxide content shall not exceed two percent (2%) by volume.

(g) Impurities. The gas shall be free from polychlorinated biphenyls (PCBs) and commercially free (at prevailing pressure and temperature in Transporter's Facility) from dust, gums, sand, oil or other foreign substances which may be injurious to Transporter's Facility or other facilities.

2.2 Failure to Conform:

If the gas tendered for delivery to Transporter by Shipper shall fail at any time to conform to any of the quality specifications set forth above, Transporter will notify Shipper of such deficiency and if Shipper fails to remedy such deficiency promptly, Transporter may refuse to accept further receipt pending correction by Shipper.

2.3 Tests to determine sulfur, hydrogen sulfide, oxygen, carbon dioxide and nitrogen content shall be made by approved standard methods in general use in the gas industry.

2.4 Gas Quality Posting

Transporter should provide on its Informational Postings Web Site a link to the natural gas quality tariff provisions (or where no tariff exists in the general terms and conditions) or a simple reference guide to such information.

The Transporter should provide on its Informational Postings Web Site daily average gas quality information for prior gas day(s), to the extent available, for location(s) that are representative of mainline gas flow. The information available for the identified location(s) should be provided in a downloadable format. Information should be reported in units as specified in the tariff or general terms and conditions. In any event, compliance with gas quality requirements is in accordance with the Transporter’s tariff or general terms and conditions.
GENERAL TERMS AND CONDITIONS

2.4 Gas Quality Posting (cont’)

The following are examples of gas quality attributes that could be included in the posting for the applicable Gas Day(s) and location(s):

- Heating Value
- Hydrocarbon Components, % of C1 - Cnn, as used in determining Heating Value
- Specific Gravity
- Water
- Nitrogen
- Carbon Dioxide
- Oxygen
- Hydrogen
- Helium
- Total Sulfur
- Hydrogen Sulfide
- Carbonyl Sulfide
- Mercaptans
- Mercury and/or any other contaminants being measured
- Other pertinent gas quality information that is specified in the TSP’s tariff or the general terms and conditions.
GENERAL TERMS AND CONDITIONS (cont'd)

3. MEASUREMENT

3.1 Unit of Volume:

The unit of volume shall be a cubic foot.

3.2 Measurement of Volume:

(a) When gas is delivered at a pressure different from 14.73 pounds per square inch absolute, then for the purpose of measurement hereunder, such volumes of gas shall be corrected to a pressure of 14.73 pounds per square inch absolute. The measurement of gas volumes shall be adjusted for deviation from Boyle's Law in accordance with generally accepted engineering practice. For reporting purposes, Pressure Base conversion factors shall be reported to not less than 6 decimal places.

(b) Where orifice meters are used, volumes delivered shall be computed in accordance with formulae, tables and methods prescribed in Orifice Metering of natural gas and other related hydrocarbons fluids, AGA Report No. 3, as revised September 2012, and as such report may hereafter be further revised. Exact measurements of inside diameters of meter tubes shall be obtained by means of micrometer to the nearest one-thousandth inch. Said volumes shall be corrected for flowing temperature and specific gravity in accordance with the provisions of paragraph (c) and (d) below.

Where ultrasonic meters are used, volumes delivered shall be computed in accordance with formulae, tables and methods prescribed in Measurement of Gas by Multipath Ultrasonic Meters, AGA Report No. 9, as revised April 2007, Speed of Sound in Natural Gas and Other Related Hydrocarbon Gases, AGA Report No. 10, and as such reports may hereafter be further revised. Said Volumes shall be corrected for flowing pressure and temperature in accordance with the provisions of paragraph (a) and (c).

(c) The flowing temperature of the gas shall be determined for the purpose of measured volume correction. Volume shall be corrected for each degree of variation in the flowing temperature from 60 degrees Fahrenheit. The flowing temperature will be measured by the continuous use of temperature transducers, and shall be either (1) recorded using digital recorders, or other mutually agreeable
3.2 Measurement of Volume (c) - (con’t)

recording devices in which case the temperature at which gas was measured for the period of such record shall be the arithmetic average of the record during the period of time during which gas was flowing, or (2) used for on-site flow computations in electronic flow computers in which case the instantaneous measurement of temperature will be used in such computations.

(d) A specific gravity correction shall be applied to measured volumes in accordance with the procedures and standards in API MPMS Chapter 14 Section 5 - Calculation of Gross Heating Value, Specific Gravity and Compressibility of Natural Gas Mixtures From Compositional Analysis and API MPMS Chapter 14 Section 2 and AGA Report No. 8 - Compressibility Factors of Natural Gas and Other Related Hydrocarbon Gases. The specific gravity to be used for such correction shall be determined at an appropriate location from a continuous proportional-to-flow Gas sampling device installed in accordance with API MPMS Chapter 14 Section 1, by a gravitometer, chromatograph or other device of standard manufacture and shall be either (1) recorded using digital recorders or other mutually agreeable recording device in which case an arithmetic average (to be determined during the period of time during which flow was occurring at the location of the specific gravity recorder) of such record shall be the specific gravity of the gas being measured, or (2) used for flow computations in electronic flow computers in which case the value of the specific gravity being measured will be used as appropriate in such computations. If a continuous specific gravity measuring device is not installed or available at an appropriate location, then specific gravity shall be determined monthly from a continuous sampling device or by a mutually agreeable method.

(e) The gross heating value shall be determined at an appropriate location from a continuous proportional-to-flow Gas sampling device installed in accordance with API MPMS Chapter 14 Section 1, by a calorimeter, chromatograph or other device of standard manufacture and shall be either (1) recorded using digital recorders or other mutually agreeable recording device in which case an arithmetic average (to be determined during the period of time during which flow was occurring at the location of the gross heating value recorder) of such record shall be the gross heating value of the gas being measured, or (2) entered as an input to electronic flow computers in which case the gross heating value being measured will be used in the computation of the Btu content of the gas. If a gross heating value measuring device is not installed or
available at an appropriate location, then the gross heating value shall be determined monthly from a continuous sampling device or by a mutually agreeable method.
GENERAL TERMS AND CONDITIONS (cont'd)

4. MEASURING EQUIPMENT

4.1 Transporter's Measuring Equipment:

Gas delivered to Transporter and by Transporter to or for the account of Shipper shall be measured by meters installed, operated, and maintained by Transporter, or such meters as Transporter causes to be installed, operated, and maintained, equipped to record daily and hourly deliveries. Measurement data may be recorded using electronic recorders or instantaneous flow computations in electronic flow computers. Orifice meter installations shall conform to the recommendations for design and installation contained in AGA Report No. 3, as revised January 2000, and as such report may hereafter be further revised. Turbine meter installation shall conform to the recommendations for design and installation contained in Gas Measurement Committee Report No. 7 of the AGA, as revised in 2006 and as such report may be further revised. Ultrasonic meter installation shall conform to the recommendations of the individual manufacturer's specifications. Positive displacement meter installation shall conform to generally accepted engineering practices in the industry.

4.2 Testing Measuring Equipment:

Transporter shall test its meters, installed as provided in Section 4.1 above, at intervals of a maximum of sixty (60) days. Transporter shall test thermometers, gravitometers, calorimeter, chromatographs and other equipment installed as provided in subsections 3.2(c), and 3.2(d) above, at intervals of a maximum of sixty (60) days. Transporter will notify Shippers in time to permit Shipper to witness at its expense such test if Shipper so elects.
GENERAL TERMS AND CONDITIONS (cont'd)

4. MEASURING EQUIPMENT - (cont'd)

4.3 Correction of Metering Errors:

If Transporter's measurement equipment installed under Section 4.1 above or any other equipment installed under subsections 3.2(c), and 3.2(d) above is found to be inoperative or inaccurate, such equipment shall be adjusted to register correctly, and the amount of error shall be determined by the most accurate method feasible. If the inaccuracy shall have resulted in an error of more than 2% in the measurement of gas, then the calculated deliveries of gas shall be adjusted to compensate for such error. Such adjustment shall be made for such period of inaccuracy as may be definitely known. If the period of inaccuracy shall not be definitely known, then such adjustment shall be made for the last half of the period (but not exceeding 15 days) between the time the metering equipment was adjusted to register correctly and the date of the last previous meter test. If for any reason the measuring equipment is out of service or out of repair so that the amount of gas delivered cannot be ascertained or computed from the readings thereof, the amount of gas delivered during such period shall be estimated and agreed upon by the use of the first of the following methods which is feasible: (a) by using the registration of any check measuring equipment if installed and accurately registering; (b) by correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation; or (c) by estimating the quantity of gas delivered by reference to actual deliveries during proceeding periods under similar conditions when the equipment in question was registering accurately.

4.4 Check Measuring Equipment:

Shipper may install, maintain and operate, at its own expense, such check measuring equipment as it shall desire, provided that such equipment shall be so installed as not to interfere with the operation of Transporter's measuring equipment.
GENERAL TERMS AND CONDITIONS (cont'd)

4. MEASURING EQUIPMENT - (cont'd)

4.5 Retention of Records:

All original records of measurement or test data compiled by either party in conjunction with the provisions of Transporter's Rate Schedules and these General Terms and Conditions shall be preserved by the party for a minimum period of three (3) years from the date the record was made.

4.6 Prior Period Adjustments:

The cutoff for closing of measurement data is 5 Business Days after the month of flow. Missing or late measurement data shall be estimated by the measuring party. Any measurement data or corrections received by Transporter after it has closed the previous month of flow shall be handled as a prior period adjustment. Transporter shall process late measurement data or corrections of measurement errors as soon as practicable. However, for Transportation Service Agreements executed after June 1, 1997, measurement data corrections shall be processed within six months after the applicable month of flow with a three month rebuttal period. These deadlines do not apply in the case of deliberate omission or misrepresentation by a party (or its representative) or mutual mistake of fact. The parties other statutory or contractual rights shall not be diminished by this provision. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods. The correction shall be made to the month of flow. For reporting measurement prior period adjustments, it shall be reported with a restated line item and a new total quantity of gas for the specific day(s) and the respective month.
5. RECEIPT AND DELIVERY POINTS

5.1 Receipt Point(s):

The Receipt Point(s), the location of which shall be specified on Exhibit "A" to the Transportation Service Agreement(s), shall be at the inlet side of Transporter's measurement facilities, or such other point as may be mutually agreed upon between Transporter and Shipper. The transfer of the possession and custody of the gas from Shipper to Transporter shall occur at the Receipt Point.

Each Receipt Point listed on Exhibit "A" to an FT-1 or FT-2 Transportation Service Agreement (Primary Receipt Point(s)) shall specify on said Exhibit "A" the Maximum Daily Receipt Quantity (MDRQ) of gas to be received from Shipper for transportation at said point. The sum of the MDRQs specified on the Exhibit "A" to a Transportation Service Agreement shall not exceed the Maximum Daily Quantity specified in the same Transportation Service Agreement.

All Receipt Points on Transporter's system not listed on Exhibit "A" of Shipper's FT-1 or FT-2 Transportation Service Agreement shall be considered Secondary Receipt Points under that Agreement.

5.2 Delivery Point(s):

The Delivery Point(s), the location of which shall be specified on Exhibit "A" to the Transportation Service Agreement(s) between Transporter and Shipper, shall be at the outlet side of Transporter's measurement facilities, or the inlet side of the measurement facilities of the downstream transporter at the specific Delivery Point(s), or such other point as may be mutually agreed upon between Transporter and Shipper. The transfer of the possession and custody of the gas from Transporter to Shipper shall occur at the Delivery Point.

Each Delivery Point listed on Exhibit "A" to an FT-1 or FT-2 Transportation Service Agreement (Primary Delivery Point(s)) shall specify on said Exhibit "A" the Maximum Daily Delivery Quantity (MDDQ) of gas to be delivered to Shipper by Transporter at said point. The sum of the MDDQs specified on the Exhibit "A" to a Transportation Service Agreement shall not exceed the Maximum Daily Quantity specified in the same Transportation Service Agreement.
5.2 Delivery Point(s) - (cont'd):

All Delivery Points on Transporter's system not listed on Exhibit "A" of Shipper's FT-1 or FT-2 Transportation Service Agreement shall be considered Secondary Delivery Points under that Agreement.

5.3 Addition/Deletion of Existing Receipt Points:

For service performed under Rate Schedules FT-1 and FT-2, Shipper may give notice to Transporter, by use of the Service Request Form, of its request to add any existing Receipt Point on Transporter's System as a Primary Receipt Point on Exhibit "A" to its Transportation Service Agreement or delete any Primary Receipt Point on Exhibit "A" to the Transportation Service Agreement or change the Maximum Daily Receipt Quantity (MDRQ) for any Primary Receipt Point on Exhibit "A." A revised Exhibit "A" to the Transportation Service Agreement indicating the requested change(s) shall be executed. Provided however, that any such change on an Exhibit "A" to a Transportation Service Agreement must include corresponding changes to the existing MDRQs such that the sum of the changed MDRQs shall not exceed the Maximum Daily Quantity under the Transportation Service Agreement. Any change to an existing Exhibit "A" shall not interfere with the Primary Receipt Point(s) and associated MDRQ in an existing Exhibit "A" to an FT-1 or FT-2 Transportation Service Agreement.

For service performed under Rate Schedule IT-1, Transporter shall maintain on its Internet Web Site an updated list of all Receipt Points available for interruptible transportation service.

Nothing contained in this Section 5.3 shall be construed to allow Shipper to nominate gas for transportation in excess of the Maximum Daily Quantity under its Transportation Service Agreement(s) multiplied by the Shipper Specific Heating Value. Provided, however, a Shipper's Maximum Daily Quantity under its Transportation Service Agreement shall not be deemed to have been exceeded by the nominating of (i) its pro rata share of lost-and-unaccounted-for gas and (ii) gas quantities designated as "MDQ make-up nomination" gas under Rate Schedules FT-1 or FT-2.
GENERAL TERMS AND CONDITIONS (cont'd)

5.4 Addition/Deletion of Existing Delivery Points:

For service performed under Rate Schedules FT-1 and FT-2, Shipper may give notice to Transporter, by use of the Service Request Form, of its request to add any existing Delivery Point on Transporter's System as a Primary Delivery Point on Exhibit "A" to its Transportation Service Agreement or delete any Primary Delivery Point to Exhibit "A" to the Transportation Service Agreement or change the Maximum Daily Delivery Quantity (MDDQ) for any Primary Delivery Point on Exhibit "A." A revised Exhibit "A" to the Transportation Service Agreement indicating the requested change(s) shall be executed. Provided, however, that any such change on an Exhibit "A" to a Transportation Service Agreement for transportation service under Rate Schedule FT-1 must include corresponding changes to the existing MDDQs such that the sum of the changed MDDQs shall not exceed the Maximum Daily Quantity under the Transportation Service Agreement. Any change to an existing Exhibit "A" shall not interfere with the Primary Delivery Point(s) and associated MDDQ in an existing Exhibit "A" to an FT-1 or FT-2 Transportation Service Agreement.

Nothing contained in this Section 5.4 shall be construed to allow Shipper to nominate gas for transportation on any day in excess of the Maximum Daily Quantity under its Transportation Service Agreement(s) multiplied by the Shipper Specific Heating Value. Provided, however, a Shipper's Maximum Daily Quantity under its Transportation Service Agreement shall not be deemed to have been exceeded by the nominating of (i) its pro rata share of lost-and-unaccounted-for gas and (ii) gas quantities designated as "MDQ make-up nomination" gas under Rate Schedules FT-1 or FT-2.
GENERAL TERMS AND CONDITIONS (cont'd)

6. PRESSURE

6.1 Receipt Point(s):

All gas to be transported for Shipper shall be delivered to Transporter at pressures sufficient to enter Transporter's Facility at such working pressures maintained by Transporter at each Receipt Point; provided, however, that such pressures shall not exceed Transporter's maximum allowable operating pressures at each such point. Transporter shall operate its system so that the pressure at each Receipt Point shall not exceed the Maximum Receipt Point Pressure as follows:

<table>
<thead>
<tr>
<th>Receipt Point</th>
<th>Pressure</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Delta 143 A</td>
<td>1325 psig</td>
</tr>
<tr>
<td>West Delta 143 Mensa</td>
<td>1325 psig</td>
</tr>
</tbody>
</table>

6.2 Delivery Point(s):

Gas will be delivered by Transporter at each Delivery Point on Exhibit "A" to the Transportation Service Agreement at the working pressures maintained by Transporter from time to time. Transporter shall not be required to maintain a pressure greater than a Maximum Delivery Point Pressure as follows:

<table>
<thead>
<tr>
<th>Delivery Point</th>
<th>Pressure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Venice Gas Plant</td>
<td>1050 psig</td>
</tr>
<tr>
<td>Southern Natural Gas Co.</td>
<td>1050 psig</td>
</tr>
<tr>
<td>Texas Eastern Transmission Co.</td>
<td>1050 psig</td>
</tr>
<tr>
<td>Tennessee Gas Pipeline Co.</td>
<td>1050 psig</td>
</tr>
</tbody>
</table>
GENERAL TERMS AND CONDITIONS (cont'd)

7. CONTROL/FORCE MAJEURE

7.1 Control of Gas:

For the purpose of determining the liability of Transporter and Shipper, respectively, Shipper shall be deemed to be in exclusive control and possession of the gas to be transported (i) until such gas has been actually received by Transporter at the Receipt Point, and (ii) after the gas has been delivered to or for the account of Shipper hereunder by Transporter at the Delivery Point. Transporter shall be deemed to be in exclusive control and possession of the gas transported hereunder after it is delivered to Transporter at the Receipt Point and until it is redelivered to Shipper at the Delivery Point. Title to that share of gas deemed as lost-and-unaccounted-for gas hereunder shall pass to Transporter at the Receipt Point or Shipper at the Delivery Point.

7.2 Responsibility and Liability:

The party deemed to be in control and possession of the gas to be transported shall be responsible for and shall indemnify the other party with respect to any losses, claims, liabilities, damages and expenses, including court costs and reasonable attorney's fees (except punitive, incidental, consequential or special damages), arising therefrom except to the extent such losses, claims, liabilities and expenses arise from the other party's sole, joint, or concurrent negligence, or gross negligence, or intentional or willful misconduct.

7.3 Force Majeure:

(a) In the event of either Transporter or Shipper being rendered unable, wholly or in part, by Force Majeure to carry out its obligations under the Transportation Service Agreement, other than the obligation to make payments due thereunder (including the payment of any applicable reservation charges) it is agreed that, on such party giving notice and full particulars of such Force Majeure in writing or by e-mail or by telephone (followed by written
7.3 Force Majeure - (a) (cont'd)

confirmation) or by facsimile transmission to the other party as soon as reasonably possible after the occurrence of the cause relied on, the obligations of the party giving such notice (other than the obligation to make payments due, including the payment of any applicable reservation charges), so far as they are affected by such Force Majeure, shall be excused during the continuance of any inability so caused but for no longer period; and such cause shall as far as possible be remedied with all reasonable dispatch.

(b) The term "Force Majeure" shall mean any event or condition whether affecting Transporter or Shipper or any other person, which has prevented, hindered or delayed either Transporter or Shipper from performing any obligation hereunder in whole or in part, if such event or condition is beyond the reasonable control of the party claiming Force Majeure. Such events or condition shall include, but not be limited to: acts of God; strikes, lockouts or other industrial disturbances; sabotage, acts of the public enemy or terrorism, wars, blockade, insurrections, riots or epidemics; landslides, lightning, earthquakes, fires, hurricanes, storms, storm warnings, floods or washouts; arrests and restraints of governments and people or civil disturbances; explosions, breakage or accident to plants, platforms, equipment, machinery or lines of pipe; disruption of services provided by the Separation-Stabilization Facility; freezing of wells, or lines of pipe; authorized abandonment of any lines of pipe immediately connected to Transporter's facilities or the Venice Gas Plant; acts of government or the necessity of complying with any governmental or judicial rule or order; and any other causes of a similar nature, whether of the kind herein enumerated or otherwise, whether affecting Transporter or Shipper, the Venice Gas Plant or upstream or downstream transporters or gatherers immediately connected to Transporter's facilities or the Venice Gas Plant, not within the control of the party claiming suspension and which by the exercise
GENERAL TERMS AND CONDITIONS (cont'd)

7.3 Force Majeure - (b) (cont'd)

of due diligence such party is unable to prevent or overcome; such term shall likewise include the inability of either party to acquire, or delays on the part of such party in acquiring at reasonable cost and by the exercise of reasonable diligence, servitudes, rights-of-way grants, permits, permissions, certificates, authorizations, licenses, materials or supplies which are required to enable such party to fulfill its obligations hereunder. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the person affected, and the above requirements that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts when such course is inadvisable in the discretion of the person affected thereby.

(c) If an incident of Force Majeure claimed by Transporter prevents Transporter from performing transportation service for Shippers under existing Transportation Service Agreements under Rate Schedules FT-1 and FT-2, then to the degree such service is not available for those Shippers' use, no reservations charges will be collected by Transporter for the degree of service not available to those Shippers.

(d) If an incident of Force Majeure claimed by Shipper prevents Shipper from either tendering gas quantities to Transporter at the Receipt Point(s) or receiving gas quantities at the Delivery Point(s) up to Shippers' MDQ under FT-1 or FT-2 Transportation Service Agreement(s), Shipper shall continue to pay reservations charges to Transporter. If the incident of Force Majeure continues for more than 90 consecutive days, then commencing on the 91st day up to the effective termination date of the specific incident of Force Majeure, all reservations charges collected by Transporter from Shipper attributable to the difference between the quantity of gas delivered to Transporter by Shipper at Receipt.
GENERAL TERMS AND CONDITIONS (cont'd)

7.3 Force Majeure - (d) (cont'd)

Point(s) pursuant to the associated Transportation Service Agreement(s) and Shippers' MDQ under the specific Transportation Service Agreements(s) (Credit Account) will be credited to 20% of Shippers' future actual monthly reservation charges effective the termination date of the specific incident of Force Majeure until the total amount of the Credit Account is so applied or the specific Transportation Service Agreement(s) terminate(s).

7.4 Odorization:

Gas delivered by Transporter will be delivered in its natural state without the addition of any odorizing agent; however, Transporter does not by such delivery assume any obligation for damages, claims or liabilities by reason of the fact that it has not odorized such gas prior to its delivery.

Transporter will add odorizing agents to gas delivered by it where required by law; however, Transporter does not by such odorization assume any obligations for damages, claims or liabilities by reason of the fact that it has or has not odorized such gas prior to its delivery, nor does Transporter warrant the delivery of odorized gas.

Shipper does not indemnify or hold harmless Transporter for any loss, claims or damages, including incidental, consequential, punitive or special damages, which may arise by failure of Transporter to odorize or not odorize the gas transported pursuant to any Transportation Service Agreement or otherwise.
8. WARRANTY OF TITLE; INDEMNIFICATION

(a) Shipper warrants for itself, its successors and assigns, that it will have, at the time of delivery of gas to Transporter at the Receipt Point(s) for transportation hereunder, good title to the delivered gas or the full right and authority to deliver such gas, and that all such gas shall be free and clear of all liens, encumbrances and claims whatsoever. Transporter warrants for itself, its successors and assigns, that the gas it delivers hereunder to or for the account of Shipper at the Delivery Point(s) shall be free and clear of all liens, encumbrances and claims whatsoever. Each party will indemnify the other and save it harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses (including court cost and reasonable attorney fees) arising from or out of the indemnifying party's breach of the foregoing warranty; including, but not limited to, adverse claims of any and all persons to said gas and/or to royalties, taxes, license fees, or charges which attach or relate to the gas. If Shipper's title or right to deliver gas to Transporter is questioned or involved in any action, Transporter may cease to allow Shipper to continue to receive service under the impacted Transportation Service Agreement until such time as Shipper's title or rights to deliver is free from question; provided, however, Transporter shall allow Shipper to qualify for or continue receiving service under this FERC Gas Tariff and impacted Transportation Service Agreement if Shipper furnishes a bond satisfactory to Transporter. Title to the gas received by Transporter at the Receipt Point(s) shall not pass to Transporter except that title to gas delivered for lost-and-unaccounted-for quantities shall pass to Transporter at the Receipt Point(s) or to Shipper at the Delivery Point(s), whichever applies.

(b) Transporter shall indemnify and hold harmless each Shipper from any loss, cost, damage or expense incurred by the Shipper as a direct result of Transporter’s failure to follow the provisions of its Tariff, except to the extent such loss, cost, damage, expense, claim, suit, action or proceeding is the result of the Shipper’s negligence, bad faith or willful misconduct.

Shipper shall indemnify and hold harmless Transporter from any loss, cost, damage or expense incurred by Transporter as a direct result of the Shipper’s failure to follow the provisions of Transporter’s Tariff, except to the extent such loss, cost, damage, expense, claim, suit, action or proceeding is the result of Transporter’s negligence, bad faith or willful misconduct.
9. UNIFORM RATES OF FLOW

All gas delivered to or by Transporter under its Rate Schedules shall be delivered at rates as constant as operationally feasible throughout the day. Transporter shall not be obligated to deliver gas under any Rate Schedule in excess of uniform hourly rates.
10. INSTALLATION OF FLOW CONTROL EQUIPMENT

Transporter may elect to construct, install, and operate flow control equipment at any location on Transporter's Facility whenever it determines in its reasonable judgment that such equipment will contribute to the safe, reliable, efficient, and orderly operation of Transporter's Facility in a manner that is consistent with its obligations to provide service under all of its Rate Schedules.
11. NOMINATIONS

11.1 Nomination Procedures:

(a) General: Shipper shall nominate gas for transportation under its Transportation Service Agreement(s) by notifying Transporter, via Transporter’s Interactive Internet Website, or by calling the assigned Transportation Services Representative and following with a facsimile by 9:00 A.M. the next Business Day. A valid nomination includes the daily quantity of gas it has available for transportation at each Receipt Point and of the quantity of gas it desires to have delivered at each Delivery Point, expressed in Dth. All nominations should be considered original nominations and should be replaced to be changed. When a nomination for a date range is received, each day within the range is considered an original nomination. When a subsequent nomination is received for one or more days within that range, the previous nomination is superseded by the subsequent nomination only to the extent of the days specified. The days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only.

Shipper shall specify a begin date and an end date for each nomination. Such begin date and end date shall be within the term of Shipper’s Service Agreement. Unless Shipper wishes to change its nomination, Shipper shall not be required to resubmit its nomination during the begin and end dates.

Transporter shall not be obligated to accept nominations in excess of the MDDQ at each Delivery Point multiplied by the Shipper Specific Heating Value for the specific month. Shipper shall be entitled to nominate at each Receipt Point a quantity of gas in excess of the MDRQ multiplied by the Shipper Specific Heating Value for the
11.1 Nomination Procedures (a) - (cont'd)

specific month equal to Shipper’s pro rata share of lost-and-unaccounted-for gas. Notwithstanding the above, the quantity contained in a valid MDQ make-up nomination when combined with the quantities contained in the other nominations made by Shipper at the same Receipt and/or Delivery Point may cause the MDRQ and/or MDDQ of a specific Receipt/Delivery Point to be exceeded.

(b) All Transportation Service Providers (TSPs) should support the following standard nomination cycles (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17):

(i) The Timely Nomination Cycle
On the day prior to gas flow:

1:00 p.m. Nominations leave control of the Service Requester (SR);

1:15 p.m. Nominations are received by the (TSP) (including from Title Transfer Tracking Service Providers (TTTSPs));

1:30 p.m. TSP sends the Quick Response to the SR

4:30 p.m. TSP receives completed confirmations from Confirming Parties:

5:00 p.m. SR and Point Operator receive scheduled quantities from the TSP.

Scheduled quantities resulting from Timely Nominations should be effective at the start of the next Gas Day.
11.1 Nomination Procedures (b) - (cont'd)

(ii) The Evening Nomination Cycle
On the day prior to gas flow:

6:00 p.m. Nominations leave control of the SR;
6:15 p.m. Nominations are received by the TSP (including from TTTSPs);
6:30 p.m. TSP sends the Quick Response to the SR;
8:30 p.m. TSP receives completed confirmations from Confirming Parties;
9:00 p.m. TSP provides scheduled quantities to the affected SR and Point Operator including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Evening Nominations should be effective at the start of the next Gas Day.

(iii) The Intraday 1 Nomination Cycle
On the current Gas Day:

10:00 a.m. Nominations leave control of the SR;
10:15 a.m. Nominations are received by the TSP (including from TTTSPs)
10:30 a.m. TSP sends the Quick Response to the SR;
12:30 p.m. TSP receives completed confirmations from Confirming Parties;
1:00 p.m. TSP provides scheduled quantities to the affected SR and Point Operator including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 2:00 p.m. on the current Gas Day.
(iv) The Intraday 2 Nomination Cycle
On the current Gas Day:

2:30 p.m. Nominations leave control of the SR;

2:45 p.m. Nominations are received by the TSP (including from TTSTPs);

3:00 p.m. TSP sends the Quick Response to the SR;

5:00 p.m. TSP receives completed confirmations from Confirming Parties;

5:30 p.m. TSP provides scheduled quantities to the affected SR and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 6:00 p.m. on the current Gas Day.
GENERAL TERMS AND CONDITIONS (cont’d)

11.1 Nomination Procedures (b) - (cont’d)

(v) The Intraday 3 Nomination Cycle
On the current Gas Day:

7:00 p.m.  Nominations leave control of the SR;

7:15 p.m.  Nominations are received by the TSP (including from TTTPs);

7:30 p.m.  TSP sends the Quick Response to the SR;

9:30 p.m.  TSP receives completed confirmation from Confirming Parties;

10:00 p.m. TSP provides scheduled quantities to the affected SR and Point Operator.

Scheduled quantities resulting from Intraday 3 Nominations should be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.

(vi) For purposes of NAESB WGQ Standard No. 1.3.2 (ii), (iii), (iv) and (v), NAESB WGQ above, "provides" shall mean, for transmittals pursuant to standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

(c) Intraday nominations are for one day only. Intraday nominations may be used to nominate new supply or market.
GENERAL TERMS AND CONDITIONS (cont'd)

11.1 Nomination Procedures - (cont'd)

(d) Make-up Nominations: Transporter shall accept a nomination in accordance with the Standard Nomination Cycles to correct an Estimated Net Imbalance associated with a specific Transportation Service Agreement ("Imbalance make-up nomination") if (i) an estimated imbalance exists pursuant to subsection 13.2 (a) and (ii) implementation of the nomination would serve to reduce the Net Estimated Imbalance. The fact that an Imbalance make-up nomination may not be balanced between the quantity of gas nominated at Receipt Point(s) and Delivery Point(s) shall not in itself cause Transporter to reject the nomination.

(e) Subject to available capacity on Transporter's Facility, Transporter shall accept valid MDQ make-up nominations in accordance with the Standard Nomination Cycles to attempt to allow a Shipper to utilize the full MDQ under an FT-1 or FT-2 Transportation Service Agreement during a month.

(f) Other Nominations: Transporter may accept in a nondiscriminatory manner a nomination in MMbtu submitted by Shipper which does not comply with the requirements of this Section 11.1 if, in Transporter's reasonable judgment, the acceptance of such nomination will not adversely affect the timely processing by Transporter of all other Shippers' nominations which do comply hereunder.

(g) Bumping: With the sole exception of the Intraday 2 Nomination Cycle pursuant to Section 11.1(b)(iv), scheduling priorities are given to nominations submitted by a firm shipper over nominated and scheduled volumes for interruptible shippers (bumping). Transportation Service Provider will provide bumping notices on its Internet Web Site and notify affected parties of such notices in either of the following ways to be chosen by the affected party: Internet e-mail or direct notification to the party's Internet URL address.
11.1 Nomination Procedures - (cont'd)

(h) Ranking: On the Shipper Nomination Form, Service Requester shall provide a predetermined priority (Rank) for all of the Delivery Point(s) and associated quantities nominated under a Transportation Service Agreement to be used by Transporter to limit the deliveries under the Transportation Service Agreement in the event of an interruption or reduction in the receipts of Shipper's gas by Shipper or third parties at the Delivery Point. Shipper shall also provide a predetermined priority at all Receipt Point(s) at which Shipper has nominated gas to be transported under a Transportation Service Agreement to be used by Transporter to limit the receipts of gas from Shipper at the Receipt Point(s) in the event of an interruption or reduction in the quantities of gas that Shipper delivers to Transporter at a Receipt Point(s).

11.2 Adjusting Nominations:

(a) Allocating transportation services will be based on quantities of gas nominated, pursuant to Section 11.1, under applicable Transportation Service Agreements.

(b) Transporter shall adjust nominations for receipts and deliveries of gas in the priority categories specified below (listed in highest to lowest priority order), such that any reductions of nominations result in allocations of available capacity to higher priority services before lower priority services (Adjusted Nominations).

Unless otherwise specified, allocating priority within a category shall be on a pro rata basis:

(i) Transportation service at Primary Receipt and Delivery Points up to the associated MDRQ multiplied by the associated Shipper Specific Heating Value and MDDQ multiplied by the Shipper Specific Heating Value, to the extent that nominations are not in excess of the MDQ under Shipper’s FT-1 or FT-2 Transportation Service Agreement multiplied by the Shipper Specific Heating Value.

(ii) Transportation service at Secondary Receipt and Delivery Points along the path defined by Primary Receipt and Delivery Points (“Firm Point path”) up to the remaining available capacity of each point to the extent that the summation of Shipper’s nominations at
11.2 Adjusting Nominations - (b)(ii) (cont'd)

Primary and Secondary Receipt and Delivery Points is not in excess of the MDQ under Shipper’s FT-1 or FT-2 Transportation Service Agreements multiplied by the Shipper Specific Heating Value.

(iii) Transportation service at other Secondary Receipt and Delivery Points up to the remaining available capacity of each point to the extent that the summation of Shipper’s nominations at Primary and Secondary Receipt and Delivery Points is not in excess of the MDQ under Shipper’s FT-1 or FT-2 Transportation Service Agreements multiplied by the Shipper Specific Heating Value.

(iv) Transportation service according to the applicable rate for quantities nominated under an IT-1 Transportation Service Agreement, such that Shippers who pay higher rates are curtailed after those who pay lower rates.

(v) Imbalance make-up nominations

(vi) Valid MDQ make-up nominations under FT-1 & FT-2 Transportation Service Agreements

(c) If, on any day, Transporter determines that the capacity of its system, or any portion thereof, including Receipt and Delivery Points, but excluding any restraints of upstream and/or downstream pipelines, is insufficient to provide all service requirements which are nominated to receive service on such day, then the following curtailment policy, which could result in curtailment of service, to zero if necessary, will apply:

(i) If the above determination of constraint is made BEFORE Scheduled Quantities are determined for the constrained Receipt and/or Delivery Point(s), then adjustments to nominations shall be made pursuant to subsection 11.2(b), thereby resulting in allocations of available capacity to higher priority services before lower services.
GENERAL TERMS AND CONDITIONS (cont'd)

11.2 Adjusting Nominations (c) - (cont'd)

(ii) If the above determination of constraint is made AFTER Scheduled Quantities are determined for the constrained Receipt and/or Delivery Point(s), then in this situation only, service pursuant to subsection 11.2(b)(ii) must be allocated within the same priority as service pursuant to subsection 11.2(b)(i).

(iii) If capacity must be allocated with the services included in subsection 11.2(b)(iii), transportation service will be curtailed according to the price ranking used for allocations, such that Shippers who pay higher rates are curtailed after those who pay lower rates; and in the event more than one Shipper is paying a given rate, then the service interruption for those Shippers will be allocated pro rata based on each Shipper's share of scheduled nominations for that Receipt or Delivery Point.

11.3 Scheduled Quantity:

(a) Confirmation: Transporter may make such inquiries as it deems necessary, including but not limited to contacting the responsible dispatching party at each Receipt Point and each Delivery Point, to determine that Shipper's Adjusted Nominations will be confirmed. Shipper shall be responsible for all dispatching notices to third-party transporter(s) and for notifying third-party transporter(s) of any changes in nominations. Transporter will accept only that portion of Shipper's Adjusted Nomination that is confirmed (Scheduled Quantity).

(i) With respect to the timely nomination/confirmation process at a receipt or delivery point, in the absence of agreement to the contrary, the lesser of the confirmation quantities should be the confirmed quantity. If there is no response to a Request for Confirmation or an unsolicited Confirmation Response, the lesser of the confirmation quantity or the scheduled quantity for the Timely Nomination Cycle of the previous Gas Day should be the new confirmed quantity.
11.3 Scheduled Quantity (a) - (cont'd)

(ii) With respect to the processing of requests for increases during the intraday nomination/confirmation process, in the absence of agreement to the contrary, the lesser of the confirmation quantities should be the new confirmed quantity. If there is no response to a Request for Confirmation or an unsolicited Confirmation Response, the scheduled quantity for the previous intraday nomination cycle should be the new confirmed quantity.

(iii) With respect to the processing of requests for decreases during the intraday nomination/confirmation process, in the absence of agreement to the contrary, the lesser of the confirmation quantities should be the new confirmed quantity, but in any event no less than the elapsed-prorated-scheduled quantity. If there is no response to a Request for Confirmation or an unsolicited Confirmation Response, the greater of the confirmation quantity or the elapsed-prorated-scheduled quantity should be the new confirmed quantity.

(iv) With respect to NAESB WGQ Standard No. 1.3.22 i, ii, and iii (11.3(a), (i), (ii), and (iii) above, if there is no response to a request for confirmation or an unsolicited confirmation response, the Transportation Service Provider should provide the Service Requester with the following information to explain why the nomination failed, as applicable:

(A) the Service Requester’s Transportation Service Provider did not conduct the confirmation;

(B) the Service Requester is told by its Transportation Service Provider that the upstream confirming party did not conduct the confirmation;
11.3 Scheduled Quantity (a)(iv) - (cont'd)

(C) the Service Requester is told by its Transportation Service Provider that the upstream Service Requester did not have the gas or submit the nomination;

(D) the Service Requester is told by its Transportation Service Provider that the downstream confirming party did not conduct the confirmation;

(E) the Service Requester is told by its Transportation Service Provider that the downstream Service Requester did not have the market or submit the nomination.

This information should be imparted to the Service Requester on the Scheduled Quantity document.

(b) At the end of each Gas Day, Transportation Service Provider (TSP) should provide the final scheduled quantities for the just completed Gas Day. With respect to the implementation of this process via the EDI/EDM, the TSP should send an end of Gas Day Scheduled Quantity (NAESB WGQ Standard No. 1.4.5) and Scheduled Quantity for Operator (NAESB WGQ Standard No. 1.4.6). A receiver of either of these documents can waive the TSP’s requirement to send such documents.
12. DETERMINATION OF RECEIPTS AND DELIVERIES

The responsibility for calculation and reporting of allocated quantities should rest with the party responsible for accepting NAESB WGQ allocation types. The party receiving nominations should provide allocation statements.

12.1 Allocation of Actual Quantities at Receipt Point:

(a) In the event gas from multiple Shippers is measured by Transporter's meter at any Receipt Point, all Shippers delivering gas to Transporter at that Receipt Point may provide, or cause to be provided, to Transporter a predetermined allocation statement from its seller(s) and/or third-party transporter(s)/operator(s) delivering gas to Transporter at that Receipt Point for the purpose of determining the quantity of gas in Dth to be received by Transporter for the account of Shipper at that Receipt Point for the day(s) (and in the aggregate for the month) for which Shipper has made its nominations(s). The upstream party providing the point confirmation should submit the pre-determined allocation to the allocating party after or during confirmation and before start of Gas Day.

(b) Except as provided in subsection 12.1(c), the predetermined allocation statements provided for a Receipt Point on Transporter's system shall include:

(i) an allocation by the operator of the facilities immediately upstream of Transporter's Receipt Point of the actual quantities of gas in Dth to be received by Transporter which allocates each working interest owner's gas from the production source field(s) on each day following the day of gas flow based on one and only one of the allocation methodology types agreed upon as follows; ranked, pro rata, percentage, swing or operator provided value:

(A) ranked by the order in which gas received by Transporter at the Receipt point is to be allocated to each working interest owner in the production source field(s);

(B) pro rata based on the confirmed nominations Transporter receives from the Shippers purchasing receiving gas from each working interest owner;
GENERAL TERMS AND CONDITIONS (cont'd)

12.1 Allocation of Actual Quantities at Receipt Point -
(b)(i) (cont’d)

(C) percentage of the gas received by Transporter;

(D) designation of a “swing” contract for receipt volume imbalances; or

(E) an operator provided value.

In the event the gas received by Transporter at a Receipt Point is from more than one production source field, the operator of the facilities immediately upstream of the Receipt Point shall provide Transporter an allocation of the gas delivered to the Receipt Point from each production source pursuant to one of the methods under subsection 12.1(b)(i).

(ii) an allocation by each working interest owner of the various Transportation Service Agreements supplied by said working interest owner's share of actual quantities of gas in Dth received at the Receipt Point on the day after the day of gas flow based on one and only one of the allocation methodology types agreed upon as follows; ranked, pro rata, percentage, swing and operator provided value:

(A) ranked by the order in which the Transportation Service Agreements are to be allocated to the extent gas is available as allocated pursuant to subsection 12.1(b)(i);

(B) pro rata based on the Shipper's confirmed nominations;

(C) percentage of the gas received by Transporter;

(D) designation of a “swing” contract for receipt volume imbalances; or

(E) an operator provided value.

Predetermined allocation statements shall include the contract number assigned by Transporter to each Transportation Service Agreement and the name of the Shipper thereunder.
GENERAL TERMS AND CONDITIONS (cont'd)

12.1 Allocation of Actual Quantities at Receipt Point -

(c) At a location which is not covered by an OBA, Transporter will allocate to Shippers at the Shippers’ contract level or higher. Transporter is not required to allocate to a lower level or accept accounting allocation instructions from the Shipper (i.e., neither Pre-determined Allocations (PDAs) nor Shipper ranks supplied in the nomination).

(d) At a location which is not covered by an OBA, a Confirming Party should submit a Pre-determined Allocation (PDA) to the allocating party at a level that is based on the allocating party’s business practice, but, in no event, will such PDA be at a lower level (more detailed) than that level of information exchanged between such parties during their confirmation process.

(e) A Pre-determined Allocation (PDA) may not be used to allocate gas to a nominatable transaction that was not identified in the nomination or confirmation process, as applicable, absent prior mutual agreement among the Confirming Parties and the party being allocated to in such transaction. In the event of a conflict between this standard and Transporter’s existing tariff or general terms and conditions, the latter will prevail.
12.1 Allocation of Actual Quantities at Receipt Point-(cont'd)

(f) The predetermined allocation statement in Dth for Receipt Points interconnecting with third-party pipelines shall be provided by the third-party pipeline and shall rank the various Transportation Service Agreements to be supplied at the Receipt Point in accordance with one of the methodologies enumerated in subsection 12.1(b)(ii). In the event there is a conflict between the foregoing methodologies and the third-party pipeline's provision in its FERC Gas Tariff governing the allocations of deliveries, said pipeline company and Transporter shall mutually agree on the predetermined allocation methodology to be used. The ranking shall include the contract number assigned by Transporter to each Transportation Service Agreement and the name of the Shipper thereunder.

(g) Each predetermined allocation statement, and revision thereto, must be received by Transporter's Transportation Services, by calling the assigned Transportation Services Representative and following with a facsimile by 9:00 a.m. the next Business Day. If there are no additions in nominations by a Shipper at a Receipt Point or other changes, the current predetermined allocation statement will stay in effect as submitted until it is changed pursuant to the foregoing procedures.

(h) In the event Transporter does not receive a predetermined allocation statement, or revised predetermined allocation statement, for a Receipt Point in a timely manner, each Shipper agrees that Transporter shall be authorized to allocate gas supplies at that Receipt Point on a pro rata basis based on all scheduled quantities.

(i) Shipper hereby agrees that Transporter shall have the right to rely conclusively on the foregoing predetermined allocations for the purposes of determining the daily quantities of gas received by Transporter for the account of Shipper at each Receipt Point.

(j) A new allocation detail may be needed when a nomination changes.
GENERAL TERMS AND CONDITIONS (cont'd)

12.2 Allocation of Actual Quantities at Delivery Points:

(a) The downstream party providing the point confirmation should submit the pre-determined allocation to the allocating party after or during confirmation and before start of Gas Day. The allocation statement shall allocate the actual quantities of gas in Dth delivered each day (and in the aggregate for the month) for the account of its Shippers at all of its various Delivery Points. The allocation methodology types agreed upon are as follows; ranked, pro rata, percentage, swing or operator provided value:

(i) ranked by the order in which the Transportation Service Agreements are to be allocated to the extent gas is available as allocated pursuant to subsection 12.2(b);

(ii) pro rata based on confirmed nominations;

(iii) percentage of the gas available for delivery at the Delivery Point;

(iv) designation of a swing contract for delivery volume imbalances; or

(v) an operator provided value.

(b) If there is insufficient quantity of gas to match the total scheduled quantities within a particular category below, then the available quantity of gas shall be allocated pro rata within that category based on scheduled quantities; and if there is a quantity of gas in excess of the quantity needed to match the total scheduled quantities within the last category below, then the excess quantity of gas shall be allocated pro rata within that category based on scheduled quantities. Allocations at Delivery Points shall be performed at the lowest level of detail provided by Shipper’s nominations for gas to be delivered by Transporter at the Delivery Points.

(i) the scheduled quantity of gas in Dth for FT-1 and FT-2 Transportation Service Agreements at Primary Delivery Points up to Shipper's MDDQ multiplied by the Shipper Specific Heating Value;
GENERAL TERMS AND CONDITIONS (cont'd)

12.2 Allocation of Actual Quantities at Delivery Points (b) - (cont'd)

(ii) the scheduled quantity of gas in Dth for FT-1 and FT-2 Transportation Service Agreements at Secondary Delivery Points and the scheduled quantity of gas for FT-1 and FT-2 Transportation Service Agreements in excess of Shipper's MDDQ at Primary Delivery Points multiplied by the Shipper Specific Heating Value;

(iii) the scheduled quantity of gas in Dth for IT-1 Transportation Service Agreements.

c) At a location which is not covered by an OBA, Transporter will allocate to Shippers at the Shippers' contract level or higher. Transporter is not required to allocate to a lower level or accept accounting allocation instructions from the Shipper (i.e., neither Pre-determined Allocations (PDAs) nor Shipper ranks supplied in the nomination).

d) At a location which is not covered by an OBA, a Confirming Party should submit a Pre-determined Allocation (PDA) to the allocating party at a level that is based on the allocating party's business practice, but, in no event, will such PDA be at a lower level (more detailed) than that level of information exchanged between such parties during their confirmation process.

e) A Pre-determined Allocation (PDA) may not be used to allocate gas to a nominatable transaction that was not identified in the nomination or confirmation process, as applicable, absent prior mutual agreement among the Confirming Parties and the party being allocated to in such transaction. In the event of a conflict between this standard and Transporter's existing tariff or general terms and conditions, the latter will prevail.
12.3 Prior Period Adjustments:

Any allocation data or corrections received by Transporter after it has closed the previous month of flow shall be handled as a prior period adjustment. Transporter shall process late allocation data or corrections of allocation errors as soon as practicable. However, for Transportation Service Agreements executed after June 1, 1997, Transporter shall process late allocation data or corrections of allocation errors as soon as practicable but no later than six months after the applicable month of flow in question with a three month rebuttal period. These deadlines do not apply in the case of deliberate omission or misrepresentation by a party (or its representative) or mutual mistake of fact. The time limitation for disputes of allocations should be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties’ other statutory or contractual rights shall not otherwise be diminished by this provision. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods. The correction shall be made to the month of flow with a restated line item and a new total quantity of gas for the specific day(s) and the respective month.
13. RESOLUTION OF IMBALANCES

13.1 Responsibility to Control Imbalances:

(a) A Shipper receiving any transportation service from Transporter will use, or will cause any party delivering or receiving Shipper's gas to use all reasonable efforts to ensure that receipt and deliveries of gas are equal to Shipper's scheduled quantities at the Receipt and Delivery Point(s) pursuant to Shipper's Transportation Service Agreement(s).

(b) Transporter will use all reasonable efforts to ensure that delivery of gas pursuant to its Transportation Service Agreement(s) is equal to Shipper's scheduled quantities at the Delivery Point(s).

(c) To aid Shippers in managing the magnitude of their individual Net Monthly Imbalance, Transporter will post on Transporter's Interactive Internet Website daily by Transportation Service Agreement an Estimated Net Imbalance calculated with the data available then to date.

13.2 Resolution of Monthly Imbalances:

(a) No imbalance charges should be imposed when a prior period adjustment applied to the current period causes or increases a current monthly imbalance charge.

(b) All imbalances accrued by Shipper under its Transportation Service Agreements shall be resolved on a monthly basis pursuant to the provisions herein. Transporter will calculate, for each Transportation Service Agreement, the imbalance which exists between (i) the summation of the quantities of gas allocated each day to Shipper for its accounts at the Delivery Point(s) and (ii) the summation of the quantities of gas allocated each day to Shipper for its accounts at the Receipt Point(s) during the month. All such imbalances ("overdeliveries" if positive value and "underdeliveries" if negative value) accrued by Shipper under each of its Transportation Service Agreements will be combined to derive a "Net Monthly Imbalance" (in Dth).
13.2 Resolution of Monthly Imbalances (cont’d)

(c) On or about the ninth (9th) Business Day after the end of the production month, Transporter shall post on its Internet Web Site the Net Monthly Imbalance accrued by each Shipper during the previous month, provided Shipper notifies Transporter’s Transportation Services Department by submitting a Trading Election Form no later than three (3) Business Days after the end of the month to post its Net Monthly Imbalance for said month. After the Net Monthly Imbalances are posted, a Shipper will have five (5) Business Days (Trading Period) within which to trade its offsetting Net Monthly Imbalance with another Shipper. Both Shippers that agree to trade all or part of their Net Monthly Imbalance must notify Transporter’s Transportation Services Department in writing on the form of Confirmation of Agreement to Trade Imbalances by 5:00 p.m. Central Clock Time on the last day of the Trading Period. [Trading Election Form and Confirmation of Agreement to Trade Imbalances Form shall be available for downloading on Transporter’s Internet Web Site.]
13.2 Resolution of Monthly Imbalances (cont'd)

(d) Subject to the provisions of subsection 13.2(g), if Shipper’s Net Monthly Imbalance is positive after the expiration of the Trading Period, Shipper shall pay Transporter for Shipper's Net Monthly Imbalance at the following price: (a) the Index Price minus (b) the lowest applicable 100% load factor rate per Dth under Shipper's FT-1 or FT-2 Transportation Service Agreement.

(e) Subject to the provisions of subsection 13.2(g) below, if Shipper’s Net Monthly Imbalance is negative after the expiration of the Trading Period, Transporter shall pay Shipper for its Net Monthly Imbalance at the following price: (a) the Index Price minus (b) the lowest applicable 100% load factor rate per Dth under Shipper's FT-1 or FT-2 Transportation Service Agreement.

(f) The Index Price for each specific month shall be equal to the sum of the spot prices published by Natural Gas Intelligence for delivery to the indicated pipelines during the month in which Shipper’s Net Monthly Imbalance was incurred, divided by the number of such prices utilized by Transporter as determined below:

(i) Natural Gas Intelligence Gas Price Index ("NGI"), "South Louisiana," Texas Eastern, E. LA;

(ii) NGI, "South Louisiana", Columbia, Onshore;

(iii) NGI, "South Louisiana," Southern Natural;

(iv) NGI, "South Louisiana," Koch Gateway.

With respect to Natural Gas Intelligence Gas Price Index ("NGI"), Transporter will use the weekly postings published during the month within the following parameters. The first weekly posting to be used will be the first issue of NGI Price Index published during the month. The last weekly posting to be used will be the last issue of said publication published no later than two (2) Business Days prior to the nomination deadline set forth in Section 11 above for the first day of the following month.
GENERAL TERMS AND CONDITIONS (cont'd)

13.2 Resolution of Monthly Imbalances (f) - (cont'd)

In the event NGI or specific postings contained therein is discontinued, Transporter will revise this subsection 13.2(e) to substitute another price index generally reflective of a gas price at the Delivery Points. Until Transporter receives approval from the Commission to use such substitute index, Transporter will continue to calculate the Index Price each month based on the remaining postings.

(g) In the event there is a prior period adjustment to the quantities of gas booked under Shipper's Transportation Service Agreements due to metering errors or other error attributable to Transporter's responsibilities under its Tariff, the quantity of such adjustment shall be cashed out at 100% of the Index Price for the month in which the error occurred.

(h) The provisions of Section 14 shall apply to payments due pursuant to this section.

13.3 Trading Service

On or before the tenth (10th) Business Day following the end of a month, Transporter shall post on its Internet Web Site the Net Monthly Imbalance accrued by each Shipper hereunder during the previous month. After the Net Monthly Imbalances are posted, Shippers will have five (5) Business Days (Trading Period) within which to trade offsetting Net Monthly Imbalances. Both Shippers that agree to trade all or part of their Net Monthly Imbalances must notify Transporter's Transportation Service Department in writing on the form of Confirmation Of Agreement to Trade Imbalances by 5:00 p.m. Central Clock Time on the last day of the Trading Period, otherwise the trade will not be effective.

[Trading Election Form and Confirmation of Agreement to Trade Imbalances Form shall be available for downloading on Transporter’s Internet Web Site.]
14. BILLING AND PAYMENT

14.1 Billing:

Transporter shall, on or before the ninth (9th) Business Day after the end of the month, render to Shipper a statement of the daily volumes and the Btu content of the gas received for the account of Shipper for transportation, the daily volumes and the Btu content of the gas delivered to or for the account of Shipper, and the amount of lost-and-unaccounted-for gas allocated to Shipper in the preceding month. Rendered is defined as postmarked, time-stamped, and delivered to the designated site if sent via U.S. mail. As used in this Section 14, "render" shall also mean the provision by Transporter of a time-stamped statement and/or invoice downloadable from its Interactive Internet Website unless the Shipper has elected to have invoices rendered via U.S. mail. Transporter shall provide e-mail notification to Shipper's designated e-mail address, when invoices and statements are finalized and rendered. Further, Transporter shall post a notice to its Interactive Internet Website when such documents are finalized. Transporter may furnish separate statements to Shipper that include an account of any credits and/or penalty charges accrued by Shipper. Billing units will be stated in Dekatherms. Unless otherwise agreed, transportation invoices will state the net billing rate rather than the maximum discount tariff rate and the discount amount.

14.2 Payment:

Billing statements shall be deemed to be received by each Shipper within three (3) Business Days after the date they are mailed by Transporter. Shipper shall make payments to Transporter for the services performed or charges levied hereunder during the preceding calendar month by electronic bank transfer (i.e. wire transfer, ACH transfer or other mutually acceptable transfer method), at such address as Transporter may hereafter designate, no later than ten (10) days after Shipper's receipt of the billing statement. In the event the tenth day does not fall upon a Business Day, payments shall be due the first Business Day following the due date. Any amount due Shipper from Transporter shall be paid in a like manner. All payments made by Shipper shall include Transporter's invoice number(s) and supporting documentation for purposes of matching the payment to the invoice. If the payment differs from invoice amount, remittance detail should be provided with the payment except when the payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two Business Days of the payment due date.

14.3 Interest on Unpaid or Overpaid Amounts:

Should Shipper fail to pay any amount when due, or if found to have paid in excess of the amount ultimately due pursuant to the
GENERAL TERMS AND CONDITIONS (cont'd)

resolution of a Good Faith Dispute (overpaid amount), interest on the unpaid or overpaid amount shall accrue at a rate equal to the lesser of the rate then set forth in Section 154.501 of the Commission's Regulations or the highest amount allowed by law from the date payment was due, pursuant to Section 14.2, or made until payment to Transporter or refund to Shipper is made.

14.4 Failure to Pay:

If, except in the case of a Good Faith Dispute, Shipper fails to make payment to Transporter pursuant to Section 14.2, and such failure to make payment continues for twenty (20) days or more, Transporter may suspend the further transportation of gas under Shipper's Transportation Agreements upon ten (10) days' prior written notice to Shipper, and the Commission, but the exercise of such right shall be in addition to any other remedy available to Transporter. In such circumstance, the provisions of subsection 7.3 (c) of these General Terms & Conditions shall not apply.

14.5 Good Faith Dispute:

If Shipper, in good faith, disputes the amount due Transporter on a billing statement, Shipper shall provide a description and supporting documentation of its position and timely submit payment of the amount it states is due Transporter. Transporter shall apply such payment in accordance with Shipper's documentation. Shipper agrees that Transporter's acceptance of a partial payment does not waive Transporter’s right to full payment after resolution of the disputed invoice in the future. Shipper and Transporter shall use all reasonable efforts to resolve the dispute; provided, however, if the resolution of the Good Faith Dispute results in Shipper owing Transporter an additional amount, then the provisions of Section 14.3 shall apply from the date payment was due, pursuant to Section 14.2, until payment of the additional amount is made. The provisions of Section 14.6 shall not apply in the case of a Good Faith Dispute.

14.6 Prepayment in the Event of Default:

Upon default in payment for a period in excess of twenty (20) days, Transporter may require as a condition to the continuance or recommencement of transportation services a deposit or other acceptable credit arrangement in an amount equal to not more than three estimated maximum monthly bills for transportation services.
GENERAL TERMS AND CONDITIONS (cont'd)

14.7 Prior Period Adjustments:

Prior period adjustment time limits should be 6 months from the date of the initial transportation invoice and 7 months from date of initial sales invoice with a 3-month rebuttal period. In the event an error is discovered in any invoice rendered by Transporter for Transportation Service Agreements executed after June 1, 1997, Shipper must contest such amount in writing within six months from the date invoice was rendered, with a three month rebuttal period, excluding government-required rate changes otherwise the invoice will be deemed correct. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties’ other statutory or contractual rights shall not otherwise be diminished by this provision. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods.

15. OPERATIONAL FLOW ORDERS

15.1 General

Transporter shall have the right to issue operational flow orders (OFO) as specified in this Section 15 which require actions by the Shippers in order to alleviate conditions which threaten the integrity of Transporter's Facility, to maintain pipeline operations at the pressures required to provide an efficient and reliable transportation service to all Shippers, and to maintain Transporter's Facility in balance for the foregoing purposes. Before issuing an OFO, Transporter will attempt to identify specific Shippers causing a problem and attempt to remedy those problems with those Shippers. If an OFO is issued by Transporter pursuant to this Section 15, Transporter shall not be required to curtail or suspend service to a Shipper(s) whose current use of Transporter's Facility mitigates the operating conditions on which the OFO is based regardless of the class of service utilized by that Shipper(s). Shipper's response to any specified gas quantities provision contained in an OFO shall be subject to the provisions of Section 15.2 to the extent that the actual quantities of gas involved in Shipper's response to the OFO are greater than one hundred and five (105) percent or less than ninety-five (95) percent of the specified gas quantities provision contained in the OFO.

15.2 Penalty

All quantities tendered to Transporter and/or taken by Shipper(s) on a daily basis in violation of Transporter's OFO shall constitute unauthorized receipts or deliveries for which a charge of $15 per Dth shall be assessed and paid by Shipper(s).
15.3 Exemptions

Shippers will be exempt from imbalance charges pursuant to Section 13.2 herein that result from complying with an OFO. A reasonable make-up period will be allowed to correct OFO created imbalances based on the then current operations of Transporter's Facility. Upon an OFO becoming effective as specified in the OFO or as provided in this Section 15.3, Shipper or operator of the facilities connecting with Transporter's facilities shall be permitted the time stated in the OFO, or such lesser time as is required to protect the integrity of Transporter's Facility, to make adjustments in compliance with the OFO. If Shipper complies with the provisions of the OFO within such notice period then no penalty pursuant to Section 15.2 shall be assessed. Shippers will be exempt from imbalance charges caused solely by Transporter's failure to receive scheduled quantities at a Receipt Point or to deliver scheduled quantities to a Delivery Point, the provisions of Section 6 being applicable. Shippers will be exempt from charges caused solely by the application of the provisions of Section 12.

15.4 Notices

Transporter will post to its Internet Web Site its intention to place an OFO into effect and notify the affected Shipper(s) at least 24 hours prior to the implementation of the OFO; provided, however, that a shorter notice period may be given where action must be taken to protect the integrity of Transporter's Facility. Such notice and posting shall (i) identify the parties subject to the OFO, (ii) the time the OFO will become effective, (iii) the estimated duration of the OFO (or, if unknown, that the OFO is indefinite) and justification for the OFO (i.e., the triggering tariff provision which is the basis for the OFO). Additionally, as soon as information is available regarding the status of any operational variables, Transporter will post such information on its Internet Web Site. Where an OFO is made effective on less than 24 hours notice, Transporter will also provide the Commission with a detailed explanation with all relevant information specific to the individual situation to justify issuance of that particular OFO. Whenever an OFO requires action in less than 72 hours, Transporter will provide prompt notice to the affected Shippers via Internet E-Mail or direct notification to their Internet URL address, as well as by posting on its Internet Web Site.
15.5 Conditions

(a) If in Transporter's judgment, impending operating conditions will cause the operating pressure at one or more Receipt Points to exceed the provisions of Section 6.1 herein, or the operating pressure at one or more Delivery Points to decrease below the provisions of Section 6.2 herein, Transporter may issue an OFO pursuant to this subsection requiring that all Shippers adjust the gas quantities or adjust the nominations at the Receipt and Delivery Points under all Transportation Service Agreements to be in balance (considering Shipper's pro-rata share of lost-and-unaccounted-for gas) effective the earliest opportunity that Shippers have in their control to effect gas quantities at either Receipt Points or Delivery Points. Transporter shall use all available opportunities in its control to effect gas quantities at either Receipt Points or Delivery Points in support of Shipper's actions pursuant to the OFO and to mitigate the adverse effects on Transporter's Facility.

(b) Transporter may issue, on a nondiscriminatory basis, such other reasonable OFOs as may be required for the purposes set forth in Section 15.1 herein.

(c) Compliance with the OFOs and the other terms and conditions of Transporter's FERC Gas Tariff is essential to Transporter's ability to provide deliveries and services under all Rate Schedules. A failure by one or more Shippers to comply with an OFO may affect Transporter's ability to provide such deliveries and services. In such event and in addition to other provisions hereof and not in lieu of any other remedies available in law or at equity, Transporter will, except to the extent Transporter's inability to provide such deliveries and services arose from the Transporter's sole, joint, or concurrent negligence, or gross negligence, or undue discrimination, or intentional or willful misconduct, have no liability or responsibility for its inability to provide deliveries and services and Shipper(s) to the extent such Shipper's failure to comply with Transporter's FERC Gas Tariff and in particular the provisions of this Section 15 resulted in the inability of Transporter to provide deliveries and services shall indemnify and hold Transporter harmless from any claims brought by a third party against Transporter arising from such failure except that Shipper(s) shall not be responsible for any incidental, consequential, punitive or special damages, including lost profits resulting therefrom.
15.6 Crediting of Penalty Revenue

All penalty amounts received by Transporter, net of costs, pursuant to Section 15.2, shall be credited to all Shippers who had Service Agreements in effect during said month and were not in violation of the OFO (non-offending Shippers).

(a) The credit shall be calculated without interest to each non-offending Shipper on a pro rata basis based on the monthly MDQ in effect under each of the Shipper's Service Agreements.

(b) The credit will be reflected on each Shipper’s respective invoice within sixty (60) days after the end of the calendar month any penalty was collected.

(c) Any amount collected pursuant to Section 15.2 shall be credited only to those Shippers not in violation of the OFO (non-offending Shippers), and reduced by any costs directly incurred and revenues foregone by Transporter as a result of an OFO violation.
16. PENALTY WAIVERS

In recognition of the fact that each penalty provision in this FERC Gas Tariff is intended to promote conscientious operations by the Shipper such that service to other Shippers is not impaired in any way, Transporter may waive any penalty charges incurred by Shipper if Transporter determines, in its reasonable judgment, that Shipper was conducting its operations in a responsible manner at the time the penalty charges were incurred and that Shipper's conduct did not impair service to another Shipper. Transporter must grant waivers under this section on a non-discriminatory basis, but the waiver of any penalty charges shall not constitute an automatic waiver of any future penalty charges.

Transporter shall maintain a record of all waivers granted under this Section 16 and shall make such record available upon request to the Commission and to any Shipper.
17. NOTICES

17.1 General Notices:

Except as provided otherwise in this Tariff or the Service Agreement, operational and other communications may be made by a posting on Transporter's Interactive Internet Website as provided in Section 24 hereof and by e-mail or other mutually agreeable means without subsequent written confirmation, unless written confirmation is requested by either party hereto. Any notice, request, demand, statement or other formal communication shall only be deemed given when delivered by first class, certified or registered U.S. mail, overnight delivery, courier, facsimile, e-mail or postings on Transporter's Internet Web Site. Such delivery shall: (a) be sent to Transporter at the address specified in the Service Agreement, or through the Interactive Internet Website, or at an address otherwise stated in a notice by Transporter to Shipper; and (b) be sent to Shipper at the address in the Service Agreement, through the Interactive Internet Website or at an address otherwise stated in a notice by Shipper to Transporter. System-wide notices should have a separate category for notices that are not critical.

17.2 Dispatching Notices:

(a) All notices concerning the daily nomination and confirmation of gas supplies for transportation shall be provided via Transporter's Internet Web Site.

(b) All notices concerning the limitation or interruption or the transportation of gas supplies or other similar matters concerning the dispatching of gas which would be effective within 72 hours of the notice shall be provided via Transporter's Internet Web Site. Confirmations shall be given via Internet E-Mail or direct notification to the party's Internet URL address, to be chosen by the affected party and posted on Transporter's Internet Web Site.

17.3 Critical Notices:

Critical Notices should be defined to pertain to information on transportation service provider conditions that affect scheduling or adversely affect scheduled gas flow. All Critical Notices will be sent via e-mail to the e-mail address(es) provided by Shipper and will also be posted under "Critical Notices" on the Interactive Internet Website.
GENERAL TERMS AND CONDITIONS (cont'd)

18. PREGRANTED ABANDONMENT OF FIRM SERVICE AGREEMENTS

The following provisions shall apply to FT-1 Transportation Service Agreements that were executed prior to March 27, 2000, which contain a term of one year or longer, or FT-1 Transportation Service Agreements executed after March 27, 2000, that contain a term of one year or longer at the maximum rate.

18.1 Capacity Posting

Transporter shall post on its Internet Web Site that capacity which will be available upon the termination of an applicable Transportation Service Agreement for the purpose of soliciting all bids for the further use of the capacity pursuant to the following schedule based on the effective termination date of the Transportation Service Agreement, whether such date is specified in the Transportation Service Agreement or in Transporter's notice of termination as provided for by such Transportation Service Agreement.

<table>
<thead>
<tr>
<th>Internet Web Site</th>
<th>Term of TSA, Yr.</th>
<th>Posting Period, Days</th>
<th>Existing Shipper's Review Period, Days</th>
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<td>25</td>
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<td>* Greater than 5</td>
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18.2 Bidding Procedure & Conditions

Each bidder for the firm capacity, or any part thereof, must submit its bid to Transporter in writing or through Transporter's Internet Web Site (with the appropriate service request form and any required prepayment under Rate Schedule FT-1 submitted to Transporter under separate cover) within the Internet Web Site posting period. Each bid shall contain the term for which the capacity is sought and the percentage of the maximum rate applicable to Rate Schedule FT-1 which the bidder is willing to pay for the capacity.
18.3 Selection of Best Bid(s)

If Transporter receives one or more bids for the capacity, and it does not reject all bids as provided below, it will choose the bid, or combination of bids, which represent the largest present value of the product of capacity and rate contained in each bid; provided, however, that Transporter reserves the right to reject any bid which is for less than 100% of the maximum rate applicable to Rate Schedule FT-1 or above the maximum rate, if applicable pursuant to Section 19.10.

18.4 Existing Shipper's Review

Transporter will notify the party(ies) who submitted the best bid(s) that their best bid(s) is subject to Existing Shipper's review and post notice of the best bid(s) on its Internet Web Site. Transporter will notify Existing Shipper of the best bid(s) received, and Shipper shall have the time period specified in the above schedule (Existing Shipper's Review Period) within which it must match the rate and contract term, not to exceed five (5) years, offered in the best bid(s) in order to retain its firm capacity.

18.5 Continued/New Service

(a) If Shipper elects to match the best bid, Transporter and Shipper will enter into a new Transportation Service Agreement(s) reflecting the terms of the best bid(s). Transporter will notify the party(ies) who submitted the best bid(s) that Shipper has elected to match the best bid(s) and will post notice of such on its Internet Web Site.

(b) If Shipper elects not to match the best bid(s), Shipper's existing Transportation Service Agreement will be subject to pregranted abandonment upon its effective termination date and Transporter will enter into a new Transportation Service Agreement(s) of even date with the party or parties offering the best bid(s) which shall reflect the conditions of the best bid(s). Transporter will post notice of the above on its Internet Web Site.
18.6 Refund of Prepayment

Transporter shall refund to all parties whose bids were either rejected by Transporter or superseded by Shipper's election to match the best bid(s) the entire amount of the required prepayment within thirty (30) days of the earlier of (a) Transporter's rejection of their bid(s) pursuant to Section 18.3 or (b) Transporter's receipt of Shipper's notice of its election pursuant to subsection 18.5(a).

18.7 No Best Bid(s)

In the event Transporter does not receive any bids for Shipper's capacity or any bids which are acceptable to Transporter, Shipper shall have the right to retain its firm capacity at the maximum rate applicable thereto, or any discount agreed to by Transporter, for an additional term as requested by Shipper, not to exceed five (5) years. If Shipper refuses to renew its Transportation Service Agreement at the maximum rate, absent an agreement by Transporter to discount, said Transportation Service Agreement shall be subject to pregranted abandonment on the effective date of termination.

18.8 Shipper's Notice of Termination

If Shipper gives notice to terminate its Transportation Service Agreement pursuant to the provisions contained therein, said agreement shall be subject to pregranted abandonment on the effective date of Shipper's termination notice and the above provisions of this Section 18 shall not apply.
19. SHIPPERS RELEASE OF FIRM CAPACITY

19.1 General:

This Section 19 sets forth the sole means by which a Shipper under Rate Schedule FT-1 ("RELEASING SHIPPER"), pursuant to Section 284.243 of the Commission's Regulations, or a Shipper under Rate Schedule FT-2, may release its firm capacity rights under a Transportation Service Agreement with the Transporter to a third party ("ACQUIRING SHIPPER"). The provisions of Section 19 pertain solely to release of firm capacity rights under FT-1 Transportation Service Agreements (TSA) for subsequent service under Rate Schedule FT-1 or release of firm capacity rights under FT-2 TSAs for subsequent service under Rate Schedule FT-2 or FT-1.

19.2 Capacity Eligible For Release:

A RELEASING SHIPPER with an FT-1 or FT-2 TSA may release firm capacity pursuant to this Section 19.

19.3 Types of Releases:

(a) Permanent Release: A RELEASING SHIPPER may release all or part of its firm capacity under a TSA for the entire remaining term of the TSA ("Permanent Release") pursuant to the provisions of this Section 19. A Permanent Release is an assignment of capacity and any associated rights of the RELEASING SHIPPER under Section 18 hereof for avoiding pregranted abandonment. Therefore, the ACQUIRING SHIPPER must meet Transporter's requirements related to creditworthiness set forth in Rate Schedules FT-1 or FT-2. The ACQUIRING SHIPPER shall be required to execute a separate TSA for the released capacity at or above the maximum rate, if applicable, pursuant to Section 19.10 hereof, and applicable to and for the primary term remaining under the RELEASING SHIPPER's TSA, unless Transporter agrees otherwise in a nondiscriminatory manner. Furthermore, the ACQUIRING SHIPPER must contract for the Primary Receipt and Delivery Points specifically set forth in a RELEASING SHIPPER's Offer of firm capacity. The ACQUIRING SHIPPER then has the right to release its capacity on a permanent or temporary basis under the terms and conditions of this Section 19. Upon the successful completion of a Permanent Release, the RELEASING SHIPPER shall be responsible only for those charges under its TSA incurred with respect to the released capacity prior to the effective date of the Permanent Release hereunder, as well as charges it continues to incur for firm capacity not released on a permanent basis.
19.3 Types of Releases - (cont’d)

(b) Temporary Release: A RELEASING SHIPPER may release all or part of its firm capacity under a TSA for a term less than the remaining term of the TSA ("Temporary Release"), pursuant to one of the following methods and the further provision of this Section 19.

(i) Firm Temporary Release: A RELEASING SHIPPER may temporarily release capacity on a firm basis for a specified term without a right of recall, except as provided in subsection 19.3 (c). The minimum term for any Firm Temporary Release shall be one contract day. All Firm Temporary Releases exceeding one contract day must be offered for a consecutive number of days, but such release can commence on any day during the month. No rate cap applies to releases of capacity for a period of one Year or less if the release is to take effect on or before one Year from the date on which the pipeline is notified of the release.

(ii) Temporary Release Subject to Recall: Subject to the provisions of Section 19.4, a RELEASING SHIPPER may temporarily release firm capacity subject to a right of recall by the RELEASING SHIPPER upon the occurrence of the condition precedent specified in the RELEASING SHIPPER's Offer under subsection 19.6(c). The minimum term for any Temporary Release Subject to Recall shall be one contract day. Any Temporary Release Subject to recall offered for more than one contract day must be offered for a consecutive number of days, but such release can commence on any day during the month.

(c) Secondary Release of Firm Capacity: An ACQUIRING SHIPPER who has acquired firm capacity hereunder on a temporary basis subject to that option being part of the RELEASING SHIPPER's Offer, may subsequently release the capacity it has acquired, as set forth on the Addendum to its Form of Service Agreement for Temporary Release of Firm Transportation Capacity, in accordance with the terms of this Section 19 ("Secondary Release"), thereby becoming a RELEASING SHIPPER. That RELEASING SHIPPER shall provide the original RELEASING SHIPPER the name, telephone number and facsimile number of a contact party of the ACQUIRING SHIPPER. A Secondary Release of capacity cannot operate to release greater capacity rights than the capacity acquired by the RELEASING SHIPPER. Furthermore, to the extent that a RELEASING SHIPPER acquired firm capacity subject to a right of recall, the capacity then released by the RELEASING SHIPPER, and any subsequent Secondary Release of the capacity thereafter, shall also be subject to the right of recall.
19.3 Types of Releases - (cont'd)

(d) Prearranged Release of Firm Capacity:

(i) A RELEASING SHIPPER who wishes to release its firm capacity on a prearranged basis to a third party (ACQUIRING SHIPPER) for a term of 31 days or less may do so without posting on Internet Web Site the terms of the Prearranged Release. The minimum term for such release shall be one (1) contract day and the term must be for consecutive number of days within the same calendar month. Transporter shall post on its Internet Web Site the terms of the prearranged release by 9:00 a.m. CCT on the day of nomination.

(ii) A RELEASING SHIPPER who wishes to temporarily release its firm capacity on a prearranged basis to a third party for a period in excess of 31 days shall post or have posted on Transporter's Internet Web Site the terms and provisions under which the firm capacity is proposed to be released for the purpose of soliciting competitive bids. The minimum term of the release shall be for a consecutive number of days greater than 31 days.

(iii) An open season is not required for: (a) a Prearranged Release for the maximum charge applicable to the capacity being released provided that the release term is more than one Year; (b) a Short-term Prearranged Release (31 Days or less; (c) a release to an asset manager (AMA), as defined by FERC regulations at 18 CFR 284.8; or (d) releases to a marketer participating in a state-regulated retail access program), as defined by FERC regulations at 18 CFR 284.8.

(iv) Once the term of a release under subsection 19.3(d)(i) has expired, the RELEASING SHIPPER cannot rollover, extend or in any way continue a release of capacity to the same ACQUIRING SHIPPER under subsection 19.3(d)(i) until twenty-eight (28) days or more has elapsed since the termination of such release, with the exception of releases to an AMA or to a participant in a state-approved retail access program.

(v) Except as provided herein, all terms and conditions applicable to release of firm capacity under Transporter's Gas Tariff shall apply to any prearranged release of firm capacity.
19.4 Recall Rights Under a Temporary Release, subject to Recall:

(a) A RELEASING SHIPPER has the right to define the conditions(s) precedent which will result in a recall of the released firm capacity; provided, however, that such condition(s) shall not be inconsistent with the terms and conditions of the RELEASING SHIPPER's TSA or with the provision of Transporter's FERC Gas Tariff. Furthermore, the recall conditions specified by the RELEASING SHIPPER must be nondiscriminatory and identifiable events.

(b) All Transportation Service Providers (TSPs) should support the following recall notification periods for all released capacity subject to recall rights.

The Transporter supports the following recall notification periods for all released capacity subject to recall rights:

(i) Timely Recall Notification:

(a) A RELEASING SHIPPER recalling capacity should provide notice of such recall to Transporter and the first ACQUIRING SHIPPER no later than 8:00 a.m. on the day that Timely Nominations are due;

(b) Transporter should provide notification of such recall to all affected ACQUIRING SHIPPERS no later than 9:00 a.m. on the day that Timely Nominations are due;

(ii) Early Evening Recall Notification:

(a) A RELEASING SHIPPER recalling capacity should provide notice of such recall to Transporter and the first ACQUIRING SHIPPER no later than 3:00 p.m. on the day that Evening Nominations are due;

(b) Transporter should provide notification of such recall to all affected ACQUIRING SHIPPERS no later than 4:00 p.m. on the day that Evening Nominations are due;
GENERAL TERMS AND CONDITIONS (Cont’d)

(iii) Evening Recall Notification:

(a) A RELEASING SHIPPER recalling capacity should provide notice of such recall to Transporter and the first ACQUIRING SHIPPER no later than 5:00 p.m. on the day that Evening Nominations are due;

(b) Transporter should provide notification of such recall to all affected ACQUIRING SHIPPERS no later than 6:00 p.m. on the day that Evening Nominations are due.

(iv) Intraday 1 Recall Notification:

(a) A RELEASING SHIPPER recalling capacity should provide notice of such recall to Transporter and the first ACQUIRING SHIPPER no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;

(b) Transporter should provide notification of such recall to all affected ACQUIRING SHIPPERS no later than 8:00 a.m. on the day that Intraday 1 Nominations are due.

(v) Intraday 2 Recall Notification:

(a) A RELEASING SHIPPER recalling capacity should provide notice of such recall to Transporter and the first ACQUIRING SHIPPER no later than 12:00 p.m. on the day that Intraday 2 Nominations are due;

(b) Transporter should provide notification of such recall to all affected ACQUIRING SHIPPERS no later than 1:00 p.m. on the day that Intraday 2 Nominations are due.

(vi) Intraday 3 Recall Notification:

(a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 4:00 p.m. on the day that Intraday 3 Nominations are due;

(b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 5:00 p.m. on the day that Intraday 3 Nominations are due.
(vii) Recall/Reput Notification:

(a) For the recall notification provided to the Transportation Service Provider (TSP), the TSP's Tariff should specify whether the quantity should be expressed in terms of:

a) total released capacity entitlements or
b) adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity.

The capacity entitlements resulting from the use of either a) or b) should be the same.
GENERAL TERMS AND CONDITIONS (cont'd)

19.4 Recall Rights Under a Temporary Release, subject to Recall - (cont'd)

(b) Transporter has the right to rely on a RELEASING SHIPPER's notice and a RELEASING SHIPPER shall defend and indemnify Transporter against any claims, losses, liabilities or expenses resulting from claims by any ACQUIRING SHIPPER that it was not notified or that firm capacity was not recalled in accordance with the recall rights specified by the RELEASING SHIPPER in its Offer.

(c) Recalls or reputs on a non-Business Day: The RELEASING SHIPPER recalling or reputing capacity on a non-Business Day must provide notice to Transporter and the first Replacement Shipper at least one hour prior to the notice deadline for the applicable nomination cycle provided for in this section. The notice to Transporter must be by telephone to Transporter’s Scheduling Hotline. Transporter should provide notification by telephone of such recall or reput to all affected Replacement Shippers by the applicable nomination cycle deadline.

(d) If recall is subject to reput and time remains in the term for which the firm capacity was temporarily released, the capacity shall revert back to the last ACQUIRING SHIPPER either on the date previously specified in the Offer or upon notice given by the RELEASING SHIPPER by 8:00 a.m. CCT on nomination day provided that the reput shall be effective as of the start of a day and must be for a term of at least one full day. When capacity is recalled, it may not be reput for the same Gas Day. The deadline for notifying the Transportation Service Provider of a reput is 8:00 a.m. to allow for timely nominations to flow on the next Gas Day. If following the recall, no time remains in the term for which the capacity was temporarily released, the capacity rights shall remain with the RELEASING SHIPPER for either its continued utilization or for release again pursuant to this Section 19.

(e) In the event of an intraday capacity recall, the Transportation Service Provider (TSP) should determine the allocation of capacity between the RELEASING SHIPPER and the REPLACEMENT SHIPPER (s) based upon the Elapsed Prorata Capacity (EPC). Variations to the use of EPC may be necessary to reflect the nature of the TSP’s tariff, services, and/or operational characteristics.
19.4(f) Recall Rights Under a Temporary Release, subject to Recall - (cont'd)

Elapsed Prorata Capacity means that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity.

19.5 SHIPPER's Obligations:

(a) ACQUIRING SHIPPER: To bid on capacity offered under one of the types of Temporary Releases set forth in subsection 19.3(b), the bidder must be preapproved for credit and have executed a Form of Service Agreement for Temporary Releases of Firm Transportation Capacity (Temporary Release Agreement), as more particularly set forth in subsection 19.6(e). To bid on capacity for a Permanent Release under subsection 19.3(a), the bidder must be preapproved for credit and have submitted an executed Transportation Service Request Form, as more particularly set forth in subsection 19.6(d). Any bid submitted cannot be withdrawn after the end of the bid period, and any bid not withdrawn will legally bind the bidder to the terms of the bid if Transporter chooses such bid as the "best bid" under subsection 19.6(g). Once a bid on an Offer for a Permanent Release of capacity under subsection 19.3(a) is accepted, the ACQUIRING SHIPPER shall execute a separate FT-1 or FT-2 Transportation Service Agreement by 10:00 a.m. CCT the day of nomination to utilize the capacity under the terms set forth in the best bid and the terms and conditions of Transporter's FERC Gas Tariff applicable to the capacity released. Before an ACQUIRING SHIPPER may execute a Temporary Release Agreement with Transporter to utilize released firm capacity, the ACQUIRING SHIPPER must satisfy all of Transporter's requirements relating to Rates Schedule FT-1 and/or FT-2. Once a bid on an Offer for a Temporary Release of capacity under subsection 19.3(b) is accepted, the ACQUIRING SHIPPER agrees that the Addendum to its Temporary Release Agreement provided by Transporter by 10:00 a.m. CCT on the day of nomination shall be binding and no further execution thereof shall be required.
19.5(a) SHIPPER's Obligations - (cont'd)

Once the ACQUIRING SHIPPER executes its FT-1 or FT-2 Transportation Service Agreement resulting from a Permanent Release or Transporter provides the ACQUIRING SHIPPER an addendum to its Temporary Release Agreement the ACQUIRING SHIPPER becomes an existing Shipper with separate firm contract quantities like any other Shipper and is subject to the applicable provisions of Transporter's FERC Gas Tariff, including but not limited to Transporter's billing and payment and operational provisions.

(b) RELEASING SHIPPER: The RELEASING SHIPPER shall remain fully liable under its existing TSA for the payment of all reservation charges for the contract quantity which has not been released, associated surcharges, fixed charges, and direct bills owing to Transporter each month under the existing TSA, as well as for services performed for or penalties incurred by the RELEASING SHIPPER under its TSA with respect to any remaining capacity thereunder.

19.6 Offer and Bid Procedures:

(a) Offer of Firm Capacity: A Shipper desiring to release firm capacity pursuant to Section 19.3 shall post or have posted on Transporter's Interactive Internet Website, in accordance with timelines in Section 19.9 utilizing the Form of Capacity Release, a complete offer of firm capacity (herein called "Offer") except as provided otherwise in subsection 19.3(d). Transporter shall date and time stamp all Offers as they are received unless the RELEASING SHIPPER specifies a time and date for its Offer to be posted. In such event, Transporter shall post the Offer at the time specified by the RELEASING SHIPPER, provided that such time does not conflict with the deadlines set forth in Section 19.9. The RELEASING SHIPPER agrees that its posted Offer specifically is subject to the following conditions:

(i) In the event two or more RELEASING SHIPPERS wish to combine Offers of capacity into one Offer, the capacity must be released for the same term and under the same conditions, and each RELEASING SHIPPER, prior to the posting of such an Offer, must notify Transporter in writing or through Transporter's Interactive Internet Website of the appointment of the same agent for purposes of submitting a joint Offer.
GENERAL TERMS AND CONDITIONS (cont'd)

19.6 Offer and Bid Procedures - (cont'd)
(a) - (cont'd)

(ii) Once a RELEASING SHIPPER's Offer is posted, it is considered binding until notice of withdrawal is received by the Transportation Service Provider on its Customer Activities Web site. The RELEASING SHIPPER has the right to withdraw its Offer during the bid period, where unanticipated circumstances justify the withdrawal of the Offer and no minimum Bid has been made.

(iii) A RELEASING SHIPPER should not be able to specify an extension of the original bid period or the pre-arranged deal match period, without posting a new release.

(b) Minimum Posting Period: A RELEASING SHIPPER's Offer shall be posted for a period to be established by the RELEASING SHIPPER in its Offer subject to the minimum requirements pursuant to Section 19.9.

(c) RELEASING SHIPPER's Offer: A RELEASING SHIPPER's Offer shall be considered complete, inter alia, if the following standard information is included:

(i) the name of the RELEASING SHIPPER, and the name, telephone number and facsimile number of a contact party for the RELEASING SHIPPER;

(ii) the contract number(s) of the RELEASING SHIPPER's Service Agreement(s);

(iii) if capacity which is proposed to be released from an FT-2 TSA will be available for subsequent service under Rate Schedule FT-2, FT-1 or either;

(iv) whether the release is permanent or temporary;

(v) if a temporary release,

(A) whether the release is firm or subject to a right of recall;

(B) if subject to recall, the identifiable conditions(s) precedent upon which the recall right will be asserted;
19.6 Offer and Bid Procedures - (c) (cont'd)

(C) if subject to recall, whether the reservation charge paid by the ACQUIRING SHIPPER is to be prorated for any days on which the capacity is actually recalled;

(D) if subject to recall, whether or not the RELEASING SHIPPER will return the capacity to the ACQUIRING SHIPPER at the end of the term of the recall of capacity.

(vi) the duration of the posting period for bids in accordance with Section 19.9;

(vii) the numeric quantity of capacity per day to be released and whether bids for less than the full quantity offered are acceptable;

(viii) the term of the release and whether bids for less than the full term offered are acceptable;

(ix) the Primary Delivery Points and the Primary Receipt Points at which capacity is offered;

(x) whether the offer is subject to a Prearranged Release, if so, the name of the prearranged ACQUIRING SHIPPER as well as whether the Prearranged Release is to an asset manager (and, if so, with what supply obligations) and/or whether the release is to a marketer participating in a state-regulated retail access program;

(xi) any minimum acceptable reservation charge stated in the number of decimal places as stated per Pipelines Rate Schedules, based on one of the following:

(A) specific dollars and cents;

(B) percent of maximum reservation rate,

and whether the RELEASING SHIPPER will accept bids on the reservation charge converted to a volumetric rate basis;

(xii) whether the minimum reservation rates are inclusive or exclusive of any and all demand surcharges;
19.6 Offer and Bid Procedures - (c) (cont'd)

(xi) if bids for capacity to be released from FT-1 Transportation Service Agreements on a volumetric rate basis are acceptable, whether the volume bid is a minimum daily throughput commitment for billing purposes, i.e. the ACQUIRING SHIPPER's monthly bill and the RELEASING SHIPPER's monthly credit will be no less than the volume bid multiplied by the volumetric rate bid multiplied by the number of days in the month that the release was in effect;

(xii) whether bids may be submitted that are contingent on (i) the award of upstream or downstream capacity on another pipeline system, (ii) the success or failure of another bid for capacity on Transporter's Facility effective the same date/bid, or (iii) any other type of contingency specified in the Offer; the deadlines for removing any such contingencies pursuant to Section 19.9;

(xv) the economic criteria to be utilized by Transporter in determining the "best bid" shall be one of the following (i) highest rate, (ii) net revenue, or (iii) present value. For index-based capacity release transactions, the releasing shipper should provide the necessary information and instructions to support the chosen methodology. If the releasing Shipper does not specify the criteria, Transporter shall use the Present Value Calculation as set forth in Section 19.6(i) herein to determine the best bid; and

(xvi) a nondiscriminatory tie breaker to be utilized in determining the "best bid" in the event two or more bids generate the same result.

The following information shall be supplied by Transporter with each Offer: (i) the maximum reservation charge (and reservation surcharges) applicable to the capacity being released, (ii) the maximum reservation charge (and reservation surcharges) converted to a 100% load-factor volumetric rate if Offer allows bids on a volumetric rate basis, (iii) the date and time the Offer was posted on the Interactive Internet Website, and (iv) the date and time the bid period ends.
19.6 Offer and Bid Procedures - (cont'd)

(d) Prearranged Release: A RELEASING SHIPPER must identify in its Offer any prearranged ACQUIRING SHIPPER. Such ACQUIRING SHIPPER must meet all of the requirements established for bidders pursuant to subsection 19.6(e) and the prearranged ACQUIRING SHIPPER shall submit its bid, if required, in accordance with subsections 19.6(f)-(g). If the prearranged ACQUIRING SHIPPER tenders a bid for the offered capacity which is (a) a Prearranged Release for the maximum charge applicable to the capacity being released provided that the release term is more than one Year; (b) a Short-term Prearranged Release (31 Days or less); (c) a release to an asset manager (AMA), as defined by FERC regulations at 18 CFR 284.8; or (d) releases to a marketer participating in a state-regulated retail access program), as defined by FERC regulations at 18 CFR 284.8, and that bid is for the full capacity and term offered by the RELEASING SHIPPER and satisfies all of the requirements of subsections 19.6(e)-(g), that bid shall be deemed the "best bid". Transporter shall post on its Interactive Internet Website by 9:00 a.m. CCT the day of nomination the identity of the prearranged ACQUIRING SHIPPER, and the terms upon which the capacity was released for informational purposes only.

In all other situations, including prearranged releases that are greater than 31 days, the prearranged ACQUIRING SHIPPER's bid shall constitute the minimum bid price for all other bidders, and shall be posted on the RELEASING SHIPPER's Offer as such. If Transporter does not receive any better bid meeting the essential terms of RELEASING SHIPPER's Offer by the end of the posting period, the prearranged ACQUIRING SHIPPER's bid shall be deemed the best bid. If Transporter does receive a better bid meeting the essential terms of RELEASING SHIPPER's Offer by the end of the posting period, the prearranged ACQUIRING SHIPPER shall have the right to match the terms of the better bid, provided the prearranged ACQUIRING SHIPPER gives notice to Transporter pursuant to Sections 19.9 and 19.10 that it will match the essential terms of the better bid. If the prearranged ACQUIRING SHIPPER's bid matches the better bid, the prearranged ACQUIRING SHIPPER shall be deemed to have made the best bid.

"Essential terms" for all purposes of Section 19.6 for bids or for the matching of any bid shall be determined solely by the RELEASING SHIPPER consistent with the terms posted by the RELEASING SHIPPER for such bids or the matching of any such bid. In the event of a dispute with respect to whether a bid has met the essential terms posted by RELEASING SHIPPER or whether prearranged ACQUIRING SHIPPER
has matched a bid, Transporter shall bear no liability.

Where a dispute arises with respect to a
GENERAL TERMS AND CONDITIONS (cont'd)

19.6 Offer and Bid Procedures (d) - (cont'd)

bid or a matching of a bid by a prearranged ACQUIRING SHIPPER, Transporter shall not be obligated to provide services with respect to any capacity to be released pursuant to the RELEASING SHIPPER's Offer to any party having submitted a bid or having attempted to match a bid until such dispute has been fully resolved. In this case the RELEASING SHIPPER shall remain liable to Transporter for all obligations under its transportation agreements including those associated with the capacity the RELEASING SHIPPER sought to release to the prearranged ACQUIRING SHIPPER until the dispute is, in the judgment of the Transporter, resolved.

Transporter shall post on its Interactive Internet Website the winning bid and the identity of the winning bidder pursuant to Section 19.9. In the event of a dispute with respect to such bid or the matching of such bid, Transporter shall indicate the existence of such dispute but shall not post the identity of the winning bidder until the dispute is fully resolved.

(e) Prequalified Bidder Requirements:

(i) All parties desiring to bid on firm capacity offered by a RELEASING SHIPPER must be prequalified by Transporter as creditworthy in order to be eligible to submit a bid on an Offer of released capacity. Unless Transporter agrees it has determined the bidder to be creditworthy or to have suitable credit on file with Transporter, the potential bidder must submit to Transporter the information set forth in Rate Schedules FT-1 or FT-2 to enable Transporter to determine the party's creditworthiness. A bidder's creditworthiness shall be assessed on the same basis as a Shipper's creditworthiness under the terms of Rate Schedules FT-1 or FT-2. If the potential bidder fails to demonstrate
19.6 Offer and Bid Procedures (e)(i) - (cont'd)

creditworthiness, the bidder may still be prequalified if it provides one of the credit alternatives set forth in Rates Schedule FT-1 or FT-2. If a party does not qualify as a prequalified bidder pursuant to this subsection 19.6(e), the party cannot bid on a RELEASING SHIPPER's Offer.

(ii) The Transportation Service Provider (TSP) should provide the original RELEASING SHIPPER with Internet E-mail notification reasonably proximate in time with any of the following formal notices given by the TSP to the RELEASING SHIPPER's Replacement Shipper(s), of the following:

(1) Notice to the Replacement Shipper regarding the Replacement Shipper’s past due, deficiency, or default status pursuant to the TSP’s tariff;

(2) Notice to the Replacement Shipper regarding the Replacement Shipper’s suspension of service notice;

(3) Notice to the Replacement Shipper regarding the Replacement Shipper’s contract termination notice due to default or credit-related issues; and

(4) Notice to the Replacement Shipper that the Replacement Shipper(s) is no longer creditworthy and has not provided credit alternative(s) pursuant to the TSP’s tariff.

(iii) Prior to submitting a bid on a Permanent Release of capacity offered by a RELEASING SHIPPER, the bidder must submit to Transporter a valid Service Request Form for the released capacity on which the bidder intends to submit a bid.
GENERAL TERMS AND CONDITIONS (cont'd)

19.6 Offer and Bid Procedures (e) - (cont'd)

(iv) Prior to submitting a bid on an Offer of Temporary Release of capacity, the bidder must request and execute a Temporary Release Agreement. The terms of each winning bid shall be set forth on an Addendum to the ACQUIRING SHIPPER's applicable Temporary Release Agreement.

(v) Prior to submitting a bid on an offer of Permanent or Temporary Release of capacity from an FT-2 TSA for subsequent service under Rate Schedule FT-2, the bidder must have complied with the provisions of Section 1.2 of Rate Schedule FT-2.

(f) Bidding Procedures: All complete bids on a RELEASING SHIPPER's Offer, shall be transmitted electronically to Transporter on its Interactive Internet Website in accordance with the times and dates as set forth in Section 19.9. Transporter shall date and time stamp all bids as they are received and shall post complete bids on the Interactive Internet Website for the posting period pursuant to Section 19.9 the standard information provided in the bid pursuant to subsection 19.6 (g), except for the name of the
19.6 Offer and Bid Procedures - (f) (cont'd)

A separate bid shall be submitted for each separate RELEASING SHIPPER's Offer on which a bidder wishes to bid. The price bid on any Offer of capacity must be submitted on a reservation charge basis unless the Offer states that bids on a volumetric rate basis are acceptable. All bids on Temporary Releases of capacity must be for the specified Delivery and Receipt Points offered. The Delivery Points and Receipt Points awarded to the ACQUIRING SHIPPER under this Section 19 shall constitute the only Exhibit A Receipt Points and Delivery Points to which the ACQUIRING SHIPPER is entitled under the TSA or temporary release agreement entered into with Transporter pursuant to these provisions. However, the ACQUIRING SHIPPER may utilize secondary Receipt and Delivery Points as capacity is available.

(g) All bids shall be considered complete if, inter alia, the following information is included:

(i) the bidder's name and the name, telephone number and facsimile number of a contact party for the bidder;

(ii) the Offer number and contract number(s) of the RELEASING SHIPPER's TSA on which the bid is being made;

(iii) the reservation charge bid per Dth stated in the number of decimal places as stated per Pipelines Rate Schedules for the released capacity or the reservation charge bid at a volumetric rate per Dth if allowed by the Offer; and comported in the manner specified by Offer;

(iv) whether the bidder is a prearranged ACQUIRING SHIPPER;

(v) the term for which the bid is being made if the Offer allows bids on less than the term offered;

(vi) if allowed by the Offer of capacity from an FT-2 TSA, whether the bid is for service under Rate Schedule FT-1 or FT-2;

(vii) if the Offer allows bids on less than the full capacity offered, the transportation capacity requested at each Delivery and Receipt Point;
19.6 Offer and Bid Procedures - (g) (cont'd)

(viii) if allowed by the Offer, whether the bid is contingent on the award of capacity on an upstream or downstream pipeline system, the name of the pipeline and the bid number.

(ix) if other contingencies are allowed by the Offer, whether the bid is subject to one of the contingencies allowed by the Offer; and

(x) the information required by Section 250.16(b)(2) of the Commission's Regulations to the extent necessary to allow Transporter to comply with its reporting/posting requirements under Section 250.16 to include the following:

(A) the specific affiliation of the bidder with Transporter, and the specific affiliation of the ACQUIRING SHIPPER with Transporter;

(B) whether any of the gas to be transported through the acquired capacity is gas purchased from or sold to an affiliate of Transporter and, if so, whether the affiliated entity is selling the gas at a loss and how much the loss is per Dth;

(C) the producing area of the source of the gas to be transported;

(D) the state of the ultimate end-user of the gas to be transported;

(E) the state of the ultimate end-user of the gas.

A bidder may withdraw its bid on an Offer at any time prior to the end of the bid period, but any subsequent bids submitted by the bidder on that Offer during the bid period must be equal to or higher than the bidder's previous bid(s).

(h) Transporter's Initial Review: Upon receipt of all bids, Transporter shall engage in an initial review to determine whether a bid will be deemed eligible for consideration. Any bid deemed ineligible pursuant to this subsection 19.6(h) shall be eliminated from consideration. A bid shall be deemed ineligible if:
GENERAL TERMS AND CONDITIONS (cont'd)

19.6 Offer and Bid Procedures - (h) (cont'd)

(i) the bid (or bidder) does not comply with all of the
terms and conditions and deadlines of this Section
19.

(ii) the bid submitted exceeds the bidder's preapproved
credit term or limits; or

(iii) the bid is for capacity at Delivery and Receipt
Point(s) other than those points specified in the
Offer; or

(iv) the bid does not meet the minimum terms of the
RELEASING SHIPPER's Offer; or

(v) the bid contains a contingency that is not allowed by
the Offer or the bidder has not removed the
contingency by the deadline set forth in the Offer.

(i) The Best Bid Determination: All bids deemed to be eligible
following Transporter's initial review pursuant to
subsection 19.6(h) shall be reviewed in determining the
best bid. The best bid shall be determined by Transporter
pursuant to the economic criteria for determining the best
bid set forth in the RELEASING SHIPPER's Offer. If the
Offer does not specify the economic criteria, the eligible
bids will be evaluated by Transporter by multiplying the
price bid times the volume bid. Bids for a term of more
than one (1) month that vary in price or term shall be
discounted to present value based on currently effective
Commission interest rates or such other published,
objective financial measure as posted by Transporter in
advance of the offer/bid cycle. This formula will generate
a revenue number for comparison of the bids and the bid
producing the most revenue shall be determined
to be the

If the RELEASING SHIPPER's Offer allows the reservation
charge to be bid on a volumetric rate basis as well as a
reservation charge basis, for purposes of comparing a
volumetric rate bid with a reservation charge bid to
determine the best bid, Transporter shall assume that the
firm transportation quantity requested under a volumetric
rate bid will be transported each day of the release unless
another calculation is specified in the Offer by the
RELEASING SHIPPER.
19.6 Offer and Bid Procedures - (i) (cont'd)

The best bid as determined herein or pursuant to the economic criteria contained in the RELEASING SHIPPER'S Offer shall be subject to the rights, if any, of a prearranged ACQUIRING SHIPPER to match the bid in accordance with subsection 19.6(d). In the event two or more bids are equivalent, they will be subject to the outcome of the tie breaker stipulated in the RELEASING SHIPPER's Offer as explained in subsection 19.6(j).

(j) Tie Breaker: If there is a tie for the best bid, and there is no prearranged ACQUIRING SHIPPER who has agreed to match the best bid, the winning bid shall be determined by applying the tie breaker stipulated in the RELEASING SHIPPER's Offer. The RELEASING SHIPPER may specify one of the following tie breakers or a different tie breaker so long as it is objective, nondiscriminatory and can be applied by Transporter. If the RELEASING SHIPPER fails to specify a tie breaker, Transporter shall award the bids, best bid first until all offered capacity is awarded, by applying the following tie breakers in the order shown, if necessary:

(i) the bid generating the greatest present value of revenues over the shortest term;

(ii) the bid submitted first in time as established by the Transporter's electronic date and time stamp.

(k) Notification: Upon completion of the best bid determination, the party submitting the best bid, i.e. the ACQUIRING SHIPPER shall be notified by Transporter through its Interactive Internet Website and in writing. Transporter shall further notify all bidders through its Interactive Internet Website and in writing that a best bid has been accepted. Transporter shall provide the ACQUIRING SHIPPER an Addendum to its applicable Temporary Release Agreement which reflects the terms of the ACQUIRING SHIPPER's winning bid through its Interactive Internet Website and in writing. Transporter shall post on its Interactive Internet Website the details of the winning bid and the ACQUIRING SHIPPER's name by 5:00 p.m. CCT prior to the day before gas flow. Such notice shall stay on the Interactive Internet Website for at least thirty (30) days.
19.6 Offer and Bid Procedures - (cont'd)

(l) If no bids are submitted by the required deadline pursuant to Section 19.9, the RELEASING SHIPPER's Offer shall be removed from Transporter's Interactive Internet Website and the RELEASING SHIPPER notified that no bids were received.

19.7 Billing and Payment:

(a) An ACQUIRING SHIPPER receiving capacity released from an FT-1 Transportation Service Agreement (TSA) shall be billed by Transporter and shall make payments to Transporter in accordance with the terms of its executed FT-1 TSA or a Temporary Release Agreement. On the RELEASING SHIPPER's bill for a month in which it released capacity hereunder on a temporary basis, Transporter shall bill the RELEASING SHIPPER the charges pursuant to the RELEASING SHIPPER's FT-1 TSA with the Maximum Daily Quantity (MDQ) equal to the MDQ of the RELEASING SHIPPER prior to the release and shall credit all the reservation charge billed by Transporter to the ACQUIRING SHIPPER for the released capacity; provided, however, that in the event the ACQUIRING SHIPPER fails to pay Transporter for any part of the amount credited to the RELEASING SHIPPER's bill, Transporter reserves the right to reverse the credit on the RELEASING SHIPPER's bill in a later month up to the unpaid amount plus interest thereon calculated pursuant to Section 14.3. If the ACQUIRING SHIPPER fails to pay its reservation charges pursuant to the provisions of Section 14, the RELEASING SHIPPER shall have the right to recall its capacity by notifying the ACQUIRING SHIPPER and Transporter of such recall pursuant to the provisions of Section 19.4. All reservation charge credits to the RELEASING SHIPPER's bill pursuant to this subsection shall be final and nonreversible upon Transporter's receipt of full payment therefor from the ACQUIRING SHIPPER.
19.7 Billing and Payment - (cont'd)

(b) An ACQUIRING SHIPPER receiving capacity released from an FT-2 TSA for use under Rate Schedule FT-2 shall be billed by Transporter and shall make payments to Transporter in accordance with the terms of its executed FT-2 TSA or a Temporary Release Agreement. On the RELEASING SHIPPER's bill for a month in which it released capacity hereunder on a temporary basis, Transporter shall bill the RELEASING SHIPPER subject to the terms of the RELEASING SHIPPER's FT-2 TSA with the MDQ equal to the MDQ of the RELEASING SHIPPER prior to the release and the total quantity of gas allocated to the RELEASING SHIPPER's FT-2 TSA equal to the summation of the actual quantity of gas allocated to both the RELEASING SHIPPER's FT-2 TSA and the ACQUIRING SHIPPER's Temporary Release Agreement in the month and shall credit the RELEASING SHIPPER an amount equal to the total quantity of gas on which the ACQUIRING SHIPPER's bill for the same month was based (pursuant to the ACQUIRING SHIPPER's Temporary Release Agreement) times the lower of the RELEASING SHIPPER's or ACQUIRING SHIPPER's rate under their respective FT-2 TSA or Temporary Release Agreement; provided, however, that in the event the ACQUIRING SHIPPER fails to pay Transporter for any part of the amount credited to the RELEASING SHIPPER's bill, Transporter reserves the right to reverse the credit on the RELEASING SHIPPER's bill in a later month up to the unpaid amount plus interest thereon calculated pursuant to Section 14.3. If the ACQUIRING SHIPPER fails to pay its charges pursuant to the provisions of Section 14, the RELEASING SHIPPER shall have the right to recall its capacity by notifying the ACQUIRING SHIPPER and Transporter of such recall pursuant to the provisions of Section 19.4. All credits to the RELEASING SHIPPER's bill pursuant to this subsection shall be final and nonreversible upon Transporter's receipt of full payment therefor from the ACQUIRING SHIPPER.
19.7 Billing and Payment - (cont'd)

(c) An ACQUIRING SHIPPER receiving capacity released from an FT-2 TSA for use under Rate Schedule FT-1 shall be billed by Transporter and shall make payments to Transporter in accordance with the terms of its executed FT-1 TSA or a Temporary Release Agreement. On the RELEASING SHIPPER's bill for a month in which it released capacity hereunder on a temporary basis, Transporter shall bill the RELEASING SHIPPER subject to the terms of the RELEASING SHIPPER's FT-2 TSA (i) a charge based on, for billing purposes only, the RELEASING SHIPPER's MDQ deemed equal to the unreleased capacity, (ii) a charge computed pursuant to subsection 5a(ii) of Rate Schedule FT-2 with the RELEASING SHIPPER's MDQ equal to 100% of the released capacity, and (iii) a credit equal to 100% of the released capacity multiplied by the RELEASING SHIPPER's Specific Heating Value, multiplied by the number of days in the month and multiplied by the lower of the RELEASING SHIPPER's rate under its FT-2 TSA or the ACQUIRING SHIPPER's rate under its Temporary Release Agreement; provided, however, that in the event the ACQUIRING SHIPPER fails to pay Transporter for any part of the amount credited to the RELEASING SHIPPER's bill, Transporter reserves the right to reverse the credit on the RELEASING SHIPPER's bill in a later month up to the unpaid amount plus interest thereon calculated pursuant to Section 14.3. If the ACQUIRING SHIPPER fails to pay its reservation charges pursuant to the provisions of Section 14, the RELEASING SHIPPER shall have the right to recall its capacity by notifying the ACQUIRING SHIPPER and Transporter of such recall pursuant to the provisions of Section 19.4. All credits to the RELEASING SHIPPER's bill pursuant to this subsection shall be final and nonreversible upon Transporter's receipt of full payment therefor from the ACQUIRING SHIPPER.
19.7 Billing and Payment - (cont'd)

(d) The ACQUIRING SHIPPER shall be obligated to pay Transporter the reservation and commodity rates, plus all associated volumetric surcharges, applicable to the volumes Transporter transports under the ACQUIRING SHIPPER's FT-1 or FT-2 Transportation Service Agreement or Temporary Release Agreement. Transporter will retain the transportation charges and associated volumetric surcharges it received from the ACQUIRING SHIPPER. If any of the charged billed to and paid by the ACQUIRING SHIPPER under its FT-1 or FT-2 Transportation Service Agreement or Temporary Release Agreement exceed the rate which the Commission determines to be just and reasonable and Transporter is ordered to make refunds, the ACQUIRING SHIPPER shall be eligible to receive refunds to the extent of any payments it made in excess of the rates the Commission subsequently determined to be just and reasonable.

19.8 Offers to Acquire Firm Capacity:

Transporter agrees to post on its Internet Web Shipper at a party's request offers to purchase releasable firm capacity on a permanent or temporary basis. Each offer will remain on the Internet Web Shipper for ninety (90) business days before it is removed, unless the requesting party notifies Transporter prior to the expiration of any ninety-day period that it wishes to extend the posting for an additional five (5) Business Days. Such offers may be tendered electronically to the Transporter by using the links and instructions found under "Request to Purchase Capacity" on the Transporter's Informational Postings Web Site. These offers must include, at a minimum, the following information:

- The party’s complete contact information,
- Quantity(ies) requested,
- Date range desired,
- Location information (Receipt and Delivery Point(s)),
- Price per Dth being offered,
- Other terms and conditions specified by the requesting party

All such parties must have met the Pre-qualified Bidder Requirements pursuant to subsection 19.6 (e).

19.9 Timeline for Capacity Releases

The Capacity Release Timeline applies to all parties involved in the capacity release process; subject to the provision of this Section 19, provided that:
(a) all information provided by the parties to the transaction is valid and the ACQUIRING SHIPPER has been determined to be creditworthy before the capacity release is tendered and

(b) for index-based capacity release transactions, the Releasing Shipper has provided the Transportation Service Provider (TSP) with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and

(c) there are no special terms or conditions to the release.

Further, the TSP may complete the capacity release process on a different timeline if the Offer includes unfamiliar or unclear terms and conditions (e.g. designation of an index not supported by the TSP).

(i) For biddable releases (1 year or less):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
GENERAL TERMS AND CONDITIONS (cont'd)

19.9 Timeline for Capacity Releases (c)(i) (cont'd)

- Open season ends at 10 a.m. on the same or a subsequent Business Day.

- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.

- If no match is required, the evaluation period ends and the Award is posted by 11:00 a.m.

- Where match required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the Award is posted by 12:00 Noon.

- The contract is issued within one hour of the Award posting (with a new contract number, when applicable);

- Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

(ii) For biddable releases (more than 1 year):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.

- Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.

- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken;

- If no match is required, the evaluation period ends and the Award is posted by 11:00 a.m.

- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the Award is posted by 12:00 Noon.

- The contract is issued within one hour of the Award posting (with a new contract number, when applicable).

- Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.
19.9  Timeline for Capacity Releases (c) (cont'd)

(iii) For non-biddable releases:

- The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:

  • Timely Cycle  12:00 Noon
  • Evening Cycle  5:00 p.m.
  • Intraday 1 Cycle  9:00 a.m.
  • Intraday 2 Cycle  1:30 p.m.
  • Intraday 3 Cycle  6:00 p.m.

- The contract is issued within one hour of the Award posting (with a new contract number, when applicable).

- Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.
GENERAL TERMS AND CONDITIONS

Issued On: March 1, 2017
Effective Date: March 1, 2017
GENERAL TERMS AND CONDITIONS (cont'd)

20. REQUESTS FOR ADDITIONAL FACILITIES/EXPANDED CAPACITY

20.1 Shipper may request, by use of the Service Request Form, the addition of facilities or expansion of Transporter's Facility to allow the requesting Shipper to deliver/receive specified gas quantities under an existing or new Transportation Service Agreement.

20.2 Transporter shall determine the following information in response to the above request:

(a) the estimated cost of constructing and installing the requested additional facilities or modifying existing facilities (new facilities costs) and an estimated time to accomplish such.

(b) assess the impact of the requested additional facilities or modified existing facilities on Transporter's ability to operate its system and continue to provide service pursuant to then existing Transportation Service Agreements.

20.3 Transporter shall transmit the above information in writing to the requesting Shipper and the Commission.

20.4 If Transporter's assessment of the impact to its system is not negative, then based on the new facilities cost, if the requesting Shipper continues to desire to have the additional facilities added to Transporter's system or existing facilities modified, the requesting Shipper and Transporter shall then execute the documents required to implement the requested service - new or amended Transportation Service Agreement, amended Exhibit "A", etc.

20.5 If implementing the requested service and/or constructing, installing and operating the additional facilities would require Transporter to obtain additional authority from the Commission, Transporter shall file with the Commission to seek such authority. In such case, implementing the requested service is conditioned upon the Commission issuing the necessary authority to Transporter under terms and conditions satisfactory to both Transporter and the requesting Shipper in their individual sole judgment.
20.6 Transporter shall submit an invoice to the requesting Shipper in the amount of the new facilities cost. Shipper shall make payment to Transporter pursuant to the provisions of Section 14.2 of these General Terms & Conditions.

20.7 Transporter shall commence to construct and install the requested facilities or modify existing facilities upon receipt of the payment pursuant to Section 20.6.

20.8 Within ninety (90) days after commencing service for the requesting Shipper, Transporter shall determine the actual cost of constructing and installing the requested facilities. If the above cost is less than the new facilities cost paid by the requesting Shipper under Section 20.6, the difference shall be refunded to the requesting Shipper within thirty (30) days of such determination.

20.9 Transporter shall have title to, own and operate all new facilities added to its system pursuant to this Section 20.
21. TRANSPORTER'S FACILITY MAINTENANCE

21.1 Notice of Maintenance

When there is a need for Transporter to engage in routine and normal maintenance of Transporter's Facility, to undertake repairs and replacements of lines of pipe, to schedule DOT compliance activities, to install taps, to make pig runs, to test equipment, or to engage in other similar actions affecting the capacity of any portions of Transporter's Facility, Transporter shall inform all Shippers by posting on Transporter's Internet Web Site a description of activities that will affect the capacity of any portions of Transporter's Facility, explaining in detail the action, the portion of Transporter's Facility affected and the estimated time period for such activities.

21.2 Annual Maintenance Allocation:

Transporter may curtail service under Rate Schedules FT-1 and FT-2 for up to one hundred and twenty (120) hours per calendar year to perform maintenance on Transporter's Facility and during such time period(s) all Shippers with Transportation Service Agreements under Rate Schedules FT-1 and FT-2 shall continue to be subject to all reservation charges under such Transportation Service Agreements.

21.3 Additional Maintenance Period(s)

If the time period in Section 21.2 is exceeded for the performance of maintenance on Transporter's Facility, and as a result Transporter is prevented in some degree from performing transportation services for Shippers under existing FT-1 or FT-2 Transportation Service Agreements, then Transporter shall collect reservation charges under the affected Transportation Service Agreements only to the degree that transportation service was available for Shipper's use.
GENERAL TERMS AND CONDITIONS (cont'd)

22. ENERGY AFFILIATES

Transporter is subject to Standards of Conduct contained in the Commission's regulations. Transporter shall post on its Internet Web Site its procedures for implementation with the Commission's Standards of Conduct Regulations. All information required to be posted pursuant to such regulations can also be located on Transporter's Internet Web Site.
23. COMPLAINTS

Transporter shall respond to any complaints which Shipper or a potential Shipper has regarding transportation service on Transporter's system within forty-eight (48) hours after receipt by Transporter. If such complaint is not resolved within thirty (30) days after Transporter's receipt of the complaint, Transporter shall respond in writing to the complaining party prior to the expiration of said thirty-day period.
GENERAL TERMS AND CONDITIONS (cont'd)

24. INTERNET WEB SITE

Transporter shall maintain an Interactive Internet Website for the purpose of providing its Shippers and third parties equal and timely access to Transporter's Transportation Log, and information relevant to the availability of capacity on Transporter's Facility. Transporter shall also provide each Shipper access through its Interactive Internet Website via Internet Web Site to information related to activity under its agreements with Transporter, such as nominations, scheduled quantities, allocations and estimated imbalances as the information is confirmed. Furthermore, Transporter shall administer each Shipper's release of firm capacity, as more particularly described in Section 19 hereof, through its Interactive Internet Website. Unless specifically provided otherwise in this FERC Gas Tariff, the generic provisions of this Tariff requiring that notices, requests, and other communications be in writing may be satisfied by Shipper through submission of such communications over Transporter's Interactive Internet Website. All forms set forth or referenced in the Tariff will also be maintained on Transporter's Internet Web Site for Shipper's use.

Transportation Service Agreement specific notices requiring communications to be in writing remain unchanged unless agreed to otherwise by the parties. Submission of information and communications through Transporter's Interactive Internet Website shall be legally binding on Shipper and Transporter.

The Internet Web Site will display a menu of available information. Any party can access the Internet Web Site and will be able to download information provided thereon. Transporter shall maintain and retain daily back-up records of the information displayed on the Internet Web Site for a period of three (3) years for purposes of restoring such information to on-line availability if there is a computer malfunction or loss. Completed transactions and posted information will remain on the Internet Web Site for at least thirty (30) days and then will be archived. Archived information will be available from Transporter upon fifteen (15) day's prior written notice. Copies of archived information will be made available at $.10 per page if a paper copy is requested or $10.00 per electronic copy.

To receive access to Transporter's Interactive Internet Website, a party must execute and comply with the terms of the Form of Interactive Internet Website Agreement included in this Tariff. Shipper shall be responsible for providing all computer equipment and specified Internet browser software necessary to interface with the Interactive Internet Website.
GENERAL TERMS AND CONDITIONS (cont'd)

25. ANNUAL CHARGE ADJUSTMENT CLAUSE

25.1 Purpose:

In order to recover the annual charges assessed by the Commission under Section 382.202 of the Commission's Regulations pursuant to the provisions of the Commission's Order Nos. 472 and 776, this Section 25 of the General Terms and Conditions is established to be applicable to the Rate Schedules contained in Volume No. 1 of Transporter's FERC Gas Tariff. Because Transporter is electing to recover the annual charges assessed by the Commission through the operation of this Annual Charge Adjustment Clause, Transporter does not intend to recover any annual charges recorded in Account No. 928 in any Natural Gas Act Section 4 rate case.

25.2 Basis for the Annual Charge Adjustment Clause:

The Rate Schedules specified in Section 25.1 hereof shall include an Annual Charge Adjustment unit charge (ACA unit charge) applicable to each Dth of gas transported thereunder in the amount set forth on Original Sheet No. 6 thereof. The ACA unit charge shall be added to the volumetric rate of any Rate Schedule with a reservation charge.

25.3 Incorporation by Reference:

26. RATE/TARIFF CHANGES

This Tariff, including these General Terms and Conditions, and the respective obligations of the parties under any Transportation Service Agreement are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction and are subject to change from time to time by addition, amendment, or substitution as provided by law.
GENERAL TERMS AND CONDITIONS (cont'd)

27. CONFLICTS

In the event of a conflict between these General Terms and Conditions and a Rate Schedule under this Tariff, the provisions of the Rate Schedule shall govern. In the event of a conflict between these General Terms and Conditions and/or a Rate Schedule and the provisions of an executed Transportation Service Agreement, the provisions of the Transportation Service Agreement shall govern.
28. Discounting Policy

(a) In the event that Transporter agrees to discount its rate to Shipper below Transporter’s maximum rate under Transporter’s Rate Schedules, the following discount terms may be reflected on the applicable Service Agreements and will apply without the discount constituting a material deviation from Transporter’s applicable pro forma Service Agreements; provided, however, that any such discounted rates set forth below shall be between the minimum and maximum rates applicable to the service provided under the applicable Rate Schedule. Transporter and Shipper may agree that a specified discounted rate will apply under the following conditions:

(i) to specified quantities under Shipper’s Service Agreement(s);

(ii) to specified quantities above or below a certain level or all quantities if quantities exceed a certain level;

(iii) in a specified relationship to quantities actually transported (i.e., that the Reservation charge will be adjusted in a specified relationship to quantities actually transported);

(iv) to specified quantities during specified periods of time or during specified periods of the year;

(v) to specified quantities at specific Receipt Point(s) or Delivery Point(s);

(vi) to production reserves committed or dedicated by Shipper; and/or

(vii) that a specific discounted rate is based on published index prices for specific Receipt Point(s) or Delivery Point(s) or other agreed-upon published pricing reference points (such discounted rate may be based upon the differential between published prices or arrived at by formula). Any agreement containing such discounted rate shall specify the rate component(s) to be discounted (i.e., Reservation charge or Commodity charge or both), and any formula will provide a reservation rate per unit of contract demand (Maximum Daily Quantity). To the extent the firm Reservation charge is discounted, the index price differential rate formula shall be calculated to state a rate per Dth. Furthermore, such discount shall not change the underlying rate design of the service being provided or include any minimum bill or maximum take provision that would have the effect of guaranteeing revenue.
GENERAL TERMS AND CONDITIONS (cont'd)

28. Discounting Policy (cont’)

In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable maximum rate at the time the discount agreement was executed subsequently exceeds the applicable maximum rate or is less than the applicable minimum rate due to a change in Transporter’s maximum (minimum) rates so that such rate component must be adjusted downward (upward) to equal the new applicable maximum (minimum) rate, the other rate components may be adjusted upward (downward) to achieve the agreed overall rate, so long as none of the resulting rate components exceed the maximum rate or are less than the minimum rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. Nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable.

(b) The Discounting of Rates shall be done in the following order:

Base Rate

ACA is not discountable.

29. Periodic Reports

Transporter does not currently have any periodic reports that must be made pursuant to Commission order or to a settlement proceeding initiated under Parts 154 or 284 of the Commission’s Regulations.
30. NORTH AMERICAN ENERGY STANDARDS BOARD “NAESB”

**Compliance with 18 CFR, Section 284.12**

Transporter has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.0, and standards revised by Minor Corrections MC15003, MC15004, MC15005, MC15009 and MC15012 all marked with an asterisk (*) which are required by the Commission in 18 CFR Section 284.12 (a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

**Standards not Incorporated by Reference and their Location in Tariff:**

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NOTE: Some standards appear in more than one location in the tariff.

Standards Incorporated by Reference:

Additional Standards:

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Effective Date: March 1, 2017
GENERAL TERMS AND CONDITIONS

31. CREDITWORTHINESS

(1) The Shipper should designate up to two representatives who are authorized to receive notices regarding the Shipper’s creditworthiness, including requests for additional information, pursuant to the applicable NAESB WGQ standards and should provide to Transporter the Internet e-mail addresses of such representatives prior to the initiation of service. Written requests and responses should be provided via Internet E-mail, unless otherwise agreed to by the parties. The obligation of Transporter to provide creditworthiness notifications is waived until the above requirement has been met. The Shipper should manage internal distribution of any creditworthiness notices that are received.

The Transporter should designate, on its Internet website or in written notices to the Shipper, the Internet e-mail addresses of up to two representatives who are authorized to receive notices regarding the Shippers’ creditworthiness. The Shipper’s obligation to provide confirmation of receipt is met by sending such confirmation to such representatives, and the TSP should manage internal distribution of any such confirmations.
31. CREDITWORTHINESS (cont’)

(2) At any time after the Shipper is determined to be noncreditworthy by Transporter, the Shipper may initiate a creditworthiness re-evaluation by the Transporter. As part of the reevaluation request, the Shipper should either update or confirm in writing the prior information provided to Transporter related to the Shipper’s creditworthiness. Such update should include any event(s) that the Shipper believes could lead to a material change in the Shipper’s creditworthiness.

(3) After a Transporter’s receipt of Shipper’s request for re-evaluation, including all required information pursuant to NAESB WGQ Standard 0.3.8 (“SR’s Request”), within five (5) Business Days, Transporter should provide a written response to the Shipper’s Request. Such written response should include either a determination of creditworthiness status, clearly stating the reason(s) for Transporter’s decision, or an explanation supporting a future date by which a re-evaluation determination will be made. In no event should such re-evaluation determination exceed twenty (20) Business Days from the date of the receipt of the Shipper’s Request unless specified in Transporter’s tariff or if the parties mutually agree to some later date.
32. NON-CONFORMING AGREEMENTS

(a) BP America Production Company (successor-in-interest to BP Exploration & Oil, Inc.), FT-2 Transportation Service Agreement, dated January 1, 1999, as amended (#100987)

(b) BP America Production Company (successor-in-interest to Vastar Resources, Inc.), FT-2 Transportation Service Agreement, dated February 1, 2000, as amended (#100173)

(c) BP America Production Company (successor-in-interest to Vastar Resources, Inc.), IT-1 Transportation Service Agreement, dated January 1, 1999 (#100992)

(d) ConocoPhillips Company (successor-in-interest to Conoco, Inc.), FT-2 Transportation Service Agreement, dated January 1, 1999, as amended (#101120)

(e) ConocoPhillips Company (successor-in-interest to Conoco, Inc.), IT-1 Transportation Service Agreement, dated August 1, 1996 (#101118)

(f) ENI Petroleum Company, Inc. (successor-in-interest to AGIP Petroleum Company, Inc.), FT-2 Transportation Service Agreement, dated January 1, 2001, as amended (#101426)

(g) ExxonMobil Gas & Power Marketing Company, a division of Exxon Mobil Corporation (successor-in-interest to Exxon Company, U.S.A., a division of Exxon Corporation), FT-2 Transportation Service Agreement, dated January 1, 1999, as amended (#101121)

(h) ExxonMobil Gas & Power Marketing Company, a division of Exxon Mobil Corporation (successor-in-interest to Exxon Company, U.S.A., a division of Exxon Corporation), IT-1 Transportation Service Agreement, dated August 1, 1996 (#101122)

(i) Marathon Oil Company, FT-2 Transportation Service Agreement, dated February 1, 2001, as amended (#101847)

(j) Shell Offshore Inc., FT-2 Transportation Service Agreement, dated October 1, 1997, as amended (#100558/614020)
32. **NON-CONFORMING AGREEMENTS (cont.)**

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32. NON-CONFORMING AGREEMENTS (cont.)

(x) Palace Exploration Company, FT-2 Transportation Service Agreement, dated January 1, 2007

(y) Palace Exploration Company, Reserve Commitment Agreement, dated January 1, 2007

(z) Stephens Production Company, LLC, FT-2 Transportation Service Agreement, dated January 1, 2007

(aa) Stephens Production Company, LLC, Reserve Commitment Agreement, dated January 1, 2007

(bb) Minerals Management Service Royalty in Kind, IT-1 Transportation Service Agreement, dated April 1, 2007
33. SUCCESSORS AND ASSIGNS

Any company which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of Shipper or Transporter shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under the Transportation Service Agreement ("Agreement"); provided, however, that Transporter reserves the right to evaluate and approve the creditworthiness of the new entity in accordance with the Creditworthiness section of these General Terms and Conditions. Except as provided in Section 8 of Rate Schedule FTS-2 and in Section 14 of the FT-2 Transportation Service Agreement, no other assignment of an Agreement or any of the rights or obligations thereunder shall be made by Shipper unless there first shall have been obtained the written consent thereto of Transporter. Shipper or Transporter may pledge or assign their respective right, title and interest in and to and under the Agreement to a trustee or trustees, individual or corporate, as security for bonds or other obligations or securities without the necessity of such trustee or trustees becoming in any respect obligated to perform the obligations of the assignor under the Agreement and, if any such trustee be a corporation, without its being required to qualify to do business in any State in which performance of the Agreement may occur.
GENERAL TERMS AND CONDITIONS

34. MISCELLANEOUS

(a) The transportation agreement creates no rights in third parties.

(b) Transporter may waive any rights hereunder or any obligations of Shipper as to any specific default that has already occurred, or case-by-case in advance as to any specific, temporary operation problem, on a basis which is not unduly discriminatory; provided that no waiver shall operate or be construed as a waiver of other or future rights or obligations, whether of a like or different character.

(c) No waiver by either Shipper or Transporter of any one or more defaults by the other in performance of any of the provisions of the Agreement shall operate or be construed as a waiver of any other existing or future default or defaults, whether of a like or of a different character.
FT-1 TRANSPORTATION SERVICE AGREEMENT

(For Use Under Rate Schedule FT-1)

THIS FT-1 TRANSPORTATION SERVICE AGREEMENT (Agreement) is made and entered into as of the ________ day of ___________, _______, by and between MISSISSIPPI CANYON GAS PIPELINE, LLC, a Delaware Limited Liability Company, hereinafter referred to as "Transporter" and ___________________, a Corporation, hereinafter referred to as "Shipper." Transporter and Shipper shall collectively be referred to herein as the "Parties".

ARTICLE I
DEFINITIONS

1.1 MAXIMUM DAILY QUANTITY (MDQ) - shall mean the maximum daily quantity of gas which Transporter agrees to receive and transport on a firm basis, subject to Article II herein, for the account of Shipper hereunder on each day during each year during the term hereof, which shall be ________ Mcf. Any limitations on the quantities to be received from each Receipt Point and/or delivered at each Delivery Point shall be as specified on Exhibit "A" attached hereto.

1.2 EQUIVALENT QUANTITY - shall be as defined in Section 1 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE II
TRANSPORTATION

Transporter agrees to accept and receive daily on a firm basis, at the Receipt Point(s) from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Maximum Daily Quantity, and to deliver to or for the account of Shipper to the Delivery Point(s) an equivalent quantity of gas.

ARTICLE III
RECEIPT AND DELIVERY POINT(S)

The Primary Receipt and Delivery Point(s) shall be those points specified on Exhibit "A" attached hereto.
FT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

ARTICLE IV

FACILITIES

4.1 [This Agreement shall not become effective and Transporter shall have no obligation or liability to Shipper hereunder until Transporter notifies Shipper in writing that all facilities are in place and ready to render the service provided for in this Agreement.]

or

4.1 [All facilities are in place and ready to render the service provided for in this Agreement.]

4.2 Transporter's obligation to build or install new facilities to perform this service is subject to the provisions of Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE V

QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality Specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

ARTICLE VI

RATES AND CHARGES FOR GAS TRANSPORTATION

6.1 TRANSPORTATION RATES - Commencing upon the effective date hereof, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein shall be in accordance with Transporter's Rate Schedule FT-1 and the General Terms and Conditions of Transporter's FERC Gas Tariff. Pursuant to Rate Schedule FT-1 of the Tariff, Transporter may agree from time to time to collect a rate lower than the maximum rate set forth in the Tariff. Such a discounted rate shall be set forth in Exhibit B.
FT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

6.2 INCIDENTAL CHARGES - Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.

6.3 CHANGES IN RATES AND CHARGES - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule FT-1, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VII

BILLINGS AND PAYMENTS

Transporter shall bill in accordance with Section 5 of Rate Schedule FT-1 and Shipper shall pay all rates and charges in accordance with Section 14 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

With at least five (5) Business Days advanced written notice to the other party, Shipper and Transporter have the right to examine the other party's records to the extent necessary to verify the accuracy of any statement, charge, or computation made pursuant to or directly affecting this Agreement. Such right may be exercisable only during the other party's normal business hours and at the other party's place of business.

In the event an error is discovered (except as provided in Sections 4.6, 12.3 and 14.7 of the General Terms and Conditions of Transporter's FERC Gas Tariff) in the amount billed to Shipper in any billing statement issued by Transporter, such error shall be adjusted within thirty (30) days of the submittal of a claim for the amount in error; provided, however, that the claim for the error shall have been made within fifteen (15) months from the first day of the year following the year of the date of the billing statement in question.
FT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

ARTICLE VIII

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule FT-1 and to the General Terms and Conditions of Transporter's FERC Gas Tariff incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX

REGULATION

9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.

9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.

ARTICLE X

RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE XI

WARRANTIES

11.1 In addition to the warranties set forth in the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:
FT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

11.1 Warranties - (cont'd)

(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify, defend and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Shipper agrees to indemnify, defend and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expense (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.

11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

ARTICLE XII
TERM

12.1 This Agreement shall be effective _________________, _______, and shall remain in force and effect until _________________, _______ ("Primary Term") and on a month to month basis thereafter unless and until terminated by either Party upon the minimum prior written notice to the other Party as specified below:

<table>
<thead>
<tr>
<th>Term of Agreement, Yr.</th>
<th>Minimum Termination Notice, Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>* 1</td>
<td>30</td>
</tr>
<tr>
<td>* greater than 1</td>
<td>45</td>
</tr>
<tr>
<td>&amp; less than or equal to 5</td>
<td></td>
</tr>
<tr>
<td>* greater than 5</td>
<td>60</td>
</tr>
<tr>
<td>&amp; less than or equal to 10</td>
<td></td>
</tr>
<tr>
<td>* greater than 10</td>
<td>90</td>
</tr>
</tbody>
</table>
12.2 Any portion of this Agreement necessary to resolve or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's FERC Gas Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance no later than twelve months after the termination of this Agreement.

12.3 This Agreement shall be subject to termination upon written notice from Transporter in the event Shipper fails to pay the amount of any bill for service rendered by Transporter hereunder in accord with Section 14 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

12.4 The indemnification provisions and payment obligations hereof shall survive such termination relative to all losses, deaths, injuries, claims, billings, liens, demands and causes of action of every kind and character, discovered or undiscovered, arising out of, or in connection with, or as an incident to this Agreement.

ARTICLE XIII
NOTICE

Except as otherwise provided in the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:

TRANSPORTER: MISSISSIPPI CANYON GAS PIPELINE, LLC
1100 Louisiana, Suite 3300
HOUSTON, TEXAS  77002
ATTENTION: TRANSPORTATION SERVICES
TELEPHONE NO.
FACSIMILE NO.
FT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

ARTICLE XIII (cont'd)

SHIPPER:

NOTICES:

ATTENTION:

Telephone No.
Facsimile No.

BILLING:

ATTENTION:

Telephone No.
Facsimile No.

or to such other address as either Party shall designate by formal written notice to the other.

Shipper shall provide Transporter in writing prior to the initiation of service under this Agreement the names of three persons authorized by Shipper to conduct daily operations under this Agreement in priority order of contact with appropriate telephone and facsimile numbers. Shipper shall amend this listing in writing when there is any change of authorized persons.

ARTICLE XIV

ASSIGNMENTS

14.1 Transporter may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Shipper may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder, to a company with which it is affiliated provided that prior to the effective date of such assignment the provisions of Section 6.3 of Rate Schedule FT-1 are met by the particular affiliated company.
FT-1 TRANSPORTATION SERVICE AGREEMENT (cont'd)

14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

ARTICLE XV

MISCELLANEOUS

15.1 THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.

15.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.

15.3 Unless otherwise expressly provided in this Agreement or Transporter's FERC Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective unless agreed by the Parties in writing or over Transporter's Internet Web Site.

15.4 Exhibit "A" attached hereto is incorporated herein by reference and made a part hereof for all purposes.

15.5 Reservation of Processing Rights

If Shipper has executed an effective Liquids transportation agreement with Transporter and an effective separation-stabilization agreement with the operator of the Separation-Stabilization Facility, Shipper shall retain title to the entire gas stream Shipper delivers to Transporter, including liquid hydrocarbons recovered from Shipper's gas by Transporter using conventional gravity separation facilities during transportation. Shipper hereby reserves the right at any time and from time to time to process the gas delivered to Transporter hereunder for the extraction of substances contained therein, including but not limited to, Retrograde Condensate, liquefiable hydrocarbons
15.5 Reservation of Processing Rights - (cont'd)

and concomitant materials (i.e., sulfur, carbon dioxide, nitrogen, helium, etc.), herein called "Plant Products", and Transporter specifically agrees not to have Shipper's gas processed without Shipper's express written consent. Any costs associated with Shipper exercising its Processing Rights shall not be borne by Transporter.

If Shipper has not executed an effective Liquids transportation agreement with Transporter and an effective separation-stabilization agreement with the operator of the Separation-Stabilization Facility, Shipper shall be deemed to have relinquished title to any Liquids and/or Retrograde Condensate that is delivered with or attributable to the natural gas stream delivered to Transporter at a Receipt Point(s).

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

[SHIPPER]  MISSISSIPPI CANYON GAS PIPELINE, LLC

BY: ______________________________  BY: ______________________________
TITLE: ______________________________  TITLE: ______________________________
DATE: ______________________________  DATE: ______________________________
FT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

DATED_________, _______

BETWEEN

MISSISSIPPI CANYON GAS PIPELINE, LLC

AND

[SHIPPER]

<table>
<thead>
<tr>
<th>PRIMARY RECEIPT POINT(S)</th>
<th>Maximum Daily Receipt Quantity (MDRQ) (Mcf)</th>
<th>Max. Receipt Point Pressure, PSIG</th>
</tr>
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<table>
<thead>
<tr>
<th>PRIMARY DELIVERY POINT(S)</th>
<th>Maximum Daily Delivery Quantity (MDDQ) (Mcf)</th>
<th>Max. Delivery Point Pressure, PSIG</th>
</tr>
</thead>
<tbody>
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</table>

__________________________
(SHIPPER)

MISSISSIPPI CANYON GAS PIPELINE, LLC

__________________________
(SHIPPER)
FT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

EXHIBIT B

TO TRANSPORTATION SERVICE AGREEMENT

DATED__________, _______

BETWEEN

MISSISSIPPI CANYON GAS PIPELINE, LLC

AND

[SHIPPER]

Discount Information

Dated:___________________________

Discounted Transportation Rate:___________________________

Discounted Rate Effective: From:___________ To:_______________

___ Life of Reserves/Lease

___ Evergreen: ___ Year-to-Year

___ Month-to-Month

Condition for Discounted Transportation Rate (check applicable condition(s)):

___ Discounted Transportation Rate applicable to specified
  quantities under Shipper's Service Agreement(s):

  ____________ Mcf

___ Discounted Transportation Rate applicable to specified
  quantities above or below a certain level or all quantities
  if quantities exceed a certain level:

  Discounted Transportation Rate applicable to ______
  Mcf above/below _____________ Mcf

  OR

  Discounted Transportation Rate applicable to all
  quantities above _____________ Mcf
FT-1 TRANSPORTATION SERVICE AGREEMENT (continued)
   EXHIBIT B (con’t)

___ Discounted Transportation Rate applicable in a specified relationship to quantities actually transported:

   Adjustment in Transportation Rate: __________ (based on __________ Mcf actually transported)

___ Discounted Transportation Rate applicable to specified quantities during specified periods of time or during specified periods of the year:

   __________ Mcf for the following time period(s):

___ Discounted Transportation Rate applicable to specified quantities at specific Receipt Point(s) or Delivery Point(s):

   Receipt Point(s): ________________
   Delivery Point(s): ________________

___ Discounted Transportation Rate applicable to production reserves committed or dedicated by Shipper:

   Production Reserves: ________________ [Field or Block]

___ Discounted Transportation Rate based on published index prices for specific Receipt Point(s) and/or Delivery Point(s) or other agreed-upon published pricing reference points (based upon the differential between published prices or arrived at by formula):

   Index Price(s): ____________________
   ____________________

___ Differential between Index Prices

or

___ Formula: ____________________

Issued On: March 1, 2017
Effective Date: March 1, 2017
In no event shall the discounted rate established as set forth above exceed the otherwise applicable maximum lawful rate.

Signed for Identification

Mississippi Canyon Gas Pipeline, LLC:

________________________________

Shipper:__________________________

Supersedes Exhibit B, Dated:________
THIS TRANSPORTATION SERVICE AGREEMENT (Agreement) is made and entered into as of the ___ day of ___________, ______, by and between MISSISSIPPI CANYON GAS PIPELINE, LLC, a Delaware Limited Liability Company, hereinafter referred to as "Transporter" and __________________, a Corporation, hereinafter referred to as "Shipper." Transporter and Shipper shall collectively be referred to herein as the "Parties".

ARTICLE I

DEFINITIONS

1.1 MAXIMUM DAILY QUANTITY (MDQ) - shall mean the maximum daily quantity of gas in Mcf which Transporter agrees to receive and transport on a firm basis, subject to Article II herein, for the account of Shipper hereunder on each day during the Delivery Period specified on Exhibit "A" attached hereto. Any limitations on the quantities to be received from each Receipt Point and/or delivered at each Delivery Point shall be as specified on Exhibit "A" attached hereto. Shipper shall have the right, at any time and from time to time, to permanently reduce, in whole or in part, the MDQ for any given Delivery Period(s) set forth in Exhibit "A" attached hereto on six (6) months' prior written notice to Transporter.

1.2 EQUIVALENT QUANTITY - shall be as defined in Section 1 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

1.3 COMMITTED FIELD(S) - shall mean those Field(s) set forth on Exhibit "B" hereto which were committed to Transporter's System by Reserve Commitment Agreement dated ____________.

1.4 [DELIVERY PERIOD OPTION A: Annual Election - a Delivery Period shall consist of a minimum of twelve (12) consecutive months; each Delivery Period shall be listed on Exhibit "A" attached hereto.]

or

1.4 [DELIVERY PERIOD OPTION Q: Quarterly Election - a Delivery Period shall consist of a Calendar Quarter; each Delivery Period shall be listed on Exhibit "A" attached hereto.]
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)

ARTICLE II
TRANSPORTATION

2.1 Transporter agrees to accept and receive daily on a firm basis, at the Receipt Point(s) from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Maximum Daily Quantity for the applicable Delivery Period, and to deliver to or for the account of Shipper to the Delivery Point(s) an equivalent quantity of gas.

2.2 Transporter shall have no obligation to accept any gas for transportation under this Agreement other than gas produced from Shipper's working interest in the Committed Field(s).

ARTICLE III
RECEIPT AND DELIVERY POINT(S)

The Primary Receipt and Delivery Point(s) shall be those points specified on Exhibit "A" attached hereto.

ARTICLE IV
FACILITIES

4.1 [This Agreement shall not become effective and Transporter shall have no obligation or liability to Shipper hereunder until Transporter notifies Shipper in writing that all facilities are in place and ready to render the service provided for in this Agreement.]

or

4.1 [All facilities are in place and ready to render the service provided for in this Agreement.]

4.2 Transporter's obligation to build or install new facilities to perform this service is subject to the provisions of Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
ARTICLE V
QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

ARTICLE VI
RATES AND CHARGES FOR GAS TRANSPORTATION

6.1 TRANSPORTATION RATES - Commencing upon the effective date hereof, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein shall be in accordance with Transporter's Rate Schedule FT-2 and the General Terms and Conditions of Transporter's FERC Gas Tariff. Pursuant to Rate Schedule FT-2 of the Tariff, Transporter may agree from time to time to collect a rate lower than the maximum rate set forth in the Tariff. Such a discounted rate shall be set forth in Exhibit C.

6.2 INCIDENTAL CHARGES - Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.

6.3 CHANGES IN RATES AND CHARGES - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule FT-2, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)

ARTICLE VII

BILLINGS AND PAYMENTS

Transporter shall bill in accordance with Section 5 of Rate Schedule FT-2 and Shipper shall pay all rates and charges in accordance with Section 14 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

With at least five (5) Business Days' advanced written notice to the other party, Shipper and Transporter have the right to examine the other party's records to the extent necessary to verify the accuracy of any statement, charge, or computation made pursuant to or directly affecting this Agreement. Such right may be exercisable only during the other party's normal business hours and at the other party's place of business.

In the event an error is discovered (except as provided in Sections 4.6, 12.3 and 14.7 of the General Terms and Conditions of Transporter's FERC Gas Tariff) in the amount billed to Shipper in any billing statement issued by Transporter, such error shall be adjusted within thirty (30) days of the submittal of a claim for the amount in error; provided, however, that the claim for the error shall have been made within fifteen (15) months from the first day of the year following the year of the date of the billing statement in question.

ARTICLE VIII

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule FT-2 and to the General Terms and Conditions of Transporter's FERC Gas Tariff incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX

REGULATION

9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and no force and effect if any
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)

9.1 Regulation - (cont'd)

necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.

9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.

ARTICLE X

RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE XI

WARRANTIES

11.1 In addition to the warranties set forth in the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:

(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify, defend and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Shipper agrees to indemnify, defend and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expense (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.
11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

ARTICLE XII

TERM

12.1 This Agreement shall be effective _____________, ______, and shall remain in force and effect for the economic life of the Committed Field(s).

[For Shippers committing Ursa Field only:]
Prior to the above date, Shipper may terminate this Agreement on 30 days' prior written notice to Transporter in the event no plan of development is approved for Ursa Field or in the event Shipper does not consent to the approved plan of development for Ursa Field. Ursa Field is comprised of the following OCS Blocks: Nos. 808, 809, 810, 852, 853 & 854.

12.2 Any portion of this Agreement necessary to resolve or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's FERC Gas Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance no later than twelve months after the termination of this Agreement.

12.3 This Agreement shall be subject to termination upon written notice from Transporter in the event Shipper fails to pay the amount of any bill for service rendered by Transporter hereunder in accordance with Section 14 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

12.4 The indemnification provisions and payment obligations hereof shall survive such termination relative to all losses, deaths, injuries, claims, billings, liens, demands and causes of action of every kind and character, discovered or undiscovered, arising out of, or in connection with, or as an incident to this Agreement.
ARTICLE XIII

NOTICE

Except as otherwise provided in the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:

TRANSPORTER: MISSISSIPPI CANYON GAS PIPELINE, LLC
1100 Louisiana, Suite 3300
HOUSTON, TEXAS 77002
ATTENTION: TRANSPORTATION SERVICES
TELEPHONE NO.
FACSIMILE NO.

SHIPPER: NOTICES: __________________________

__________________________
ATTENTION: __________________________
Telephone No.
Facsimile No.__________________________

BILLING: __________________________

__________________________
ATTENTION: __________________________
Telephone No.
Facsimile No.__________________________

or to such other address as either Party shall designate by formal written notice to the other.

Shipper shall provide Transporter in writing prior to the initiation of service under this Agreement the names of three persons authorized by Shipper to conduct daily operation under this Agreement in priority order of contact with appropriate telephone and facsimile numbers. Shipper shall amend this listing in writing when there is any change of authorized persons.
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)

ARTICLE XIV

ASSIGNMENTS

14.1 Transporter may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Shipper may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder, to any company to which Shipper assigns all or any portion of its interests in the Committed Field(s), provided that prior to the effective date of such assignment the provisions of Section 6.3 of Rate Schedule FT-2 are met by the assignee.

14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

ARTICLE XV

MISCELLANEOUS

15.1 THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.

15.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.

15.3 Unless otherwise expressly provided in this Agreement or Transporter's FERC Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective unless agreed by the Parties in writing or over Transporter's Internet Web Site.
15.4 Exhibits "A", and "B" attached hereto are incorporated herein by reference and made a part hereof for all purposes.

15.5 If Shipper has executed an effective Liquids transportation agreement with Transporter and an effective separation-stabilization agreement with the operator of the Separation-Stabilization Facility, Shipper shall retain title to the entire gas stream Shipper delivers to Transporter, including liquid hydrocarbons recovered from Shipper's gas by Transporter using conventional gravity separation facilities during transportation. Shipper hereby reserves the right at any time and from time to time to process the gas delivered to Transporter hereunder for the extraction of substances contained therein, including but not limited to, Retrograde Condensate, liquid hydrocarbons, liquefiable hydrocarbons and constituent elements (e.g., sulfur, carbon dioxide, nitrogen, helium), herein called "Plant Products", and Transporter specifically agrees not to have Shipper's gas processed without Shipper's express written consent. Any costs associated with Shipper exercising its processing rights shall not be borne by Transporter.

If Shipper has not executed an effective Liquids transportation agreement with Transporter and an effective separation-stabilization agreement with the operator of the Separation-Stabilization Facility, Shipper shall be deemed to have relinquished title to any Liquids and/or Retrograde Condensate that is delivered with or attributable to the natural gas stream delivered to Transporter at a Receipt Point(s).

15.6 In consideration of the MDQ reduction rights set forth in Section 1.1 of this Agreement, Shipper agrees to waive its rights to any revenues from a release of its FT-2 capacity pursuant to Section 19 of the General Terms and Conditions to the extent such revenues exceed the charges payable by Shipper under this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

[SHIPPER]  MISSISSIPPI CANYON GAS PIPELINE, LLC

BY: ____________________________  BY: ____________________________
TITLE: __________________________  TITLE: __________________________
DATE: __________________________  DATE: __________________________
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)

EXHIBIT "A" TO TRANSPORTATION SERVICE AGREEMENT

DATED: __________, __________

BETWEEN

MISSISSIPPI CANYON GAS PIPELINE, LLC

AND

[SHIPPER]

Delivery Period (1) | Maximum Daily Dates Quantity (2) (MDQ)
Starting | Ending

Primary Receipt | Maximum Daily Receipt Points Quantity(MDRQ) mcf/d

Primary Delivery | Maximum Daily Delivery Points Quantity(MDDQ) mcf/d

(1) The Delivery Period shall be as defined in article 1.4 of the FT-2 Transportation Service Agreement.

(2) The MDQ for each Delivery Period shall be supported by a production forecast for Committed Field(s).
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)

EXHIBIT B

TO TRANSPORTATION SERVICE AGREEMENT

DATED _________________, ______

BETWEEN

MISSISSIPPI CANYON GAS PIPELINE, LLC

AND

[SHIPPER]

COMMITTED FIELD (3) ASSOCIATED BLOCKS/LEASE

(3) Partial field commitments will be accepted only for Mars Field.
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)  

EXHIBIT C  

TO TRANSPORTATION SERVICE AGREEMENT  
DATED _________________, ______  

BETWEEN  
MISSISSIPPI CANYON GAS PIPELINE, LLC  
AND  
[SHIPPER]  

Discount Information  
Dated:___________________________  
Discounted Transportation Rate:___________________________  
Discounted Rate Effective: From:_____________ To:__________________  
___ Life of Reserves/Lease  
___ Evergreen: ___ Year-to-Year ___ Month-to-Month  

Condition for Discounted Transportation Rate (check applicable condition(s)):

___ Discounted Transportation Rate applicable to specified quantities under Shipper's Service Agreement(s): ________ Mcf  

___ Discounted Transportation Rate applicable to specified quantities above or below a certain level or all quantities if quantities exceed a certain level:  
Discounted Transportation Rate applicable to ________ Mcf above/below ________ Mcf  
or  
Discounted Transportation Rate applicable to all quantities above ________ Mcf
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)

EXHIBIT C (cont’d)

____ Discounted Transportation Rate applicable in a specified relationship to quantities actually transported:

  Adjustment in Transportation Rate: ___________ (based on ___________ Mcf actually transported)

____ Discounted Transportation Rate applicable to specified quantities during specified periods of time or during specified periods of the year:

  ___________ Mcf for the following time period(s):

____ Discounted Transportation Rate applicable to specified quantities at specific Receipt Point(s) or Delivery Point(s):

  Receipt Point(s): ________________
  Delivery Point(s): ________________

____ Discounted Transportation Rate applicable to production reserves committed or dedicated by Shipper:

  Production Reserves: ________________ [Field or Block]

____ Discounted Transportation Rate based on published index prices for specific Receipt Point(s) and/or Delivery Point(s) or other agreed-upon published pricing reference points (based upon the differential between published prices or arrived at by formula):

  Index Price(s): ____________________
                  ____________________

____ Differential between Index Prices

OR

____ Formula: ____________________
FT-2 TRANSPORTATION SERVICE AGREEMENT (cont'd)

EXHIBIT C (cont’d)

In no event shall the discounted rate established as set forth above exceed the otherwise applicable maximum lawful rate.

Signed for Identification

Mississippi Canyon Gas Pipeline, LLC:

________________________________

Shipper:__________________________

Supersedes Exhibit  C, Dated:___________
IT-1 TRANSPORTATION SERVICE AGREEMENT

(For Use Under Rate Schedule IT-1)

THIS IT-1 TRANSPORTATION SERVICE AGREEMENT (Agreement) is made and entered into as of the __________ day of ______________, _______, by and between MISSISSIPPI CANYON GAS PIPELINE, LLC, a Delaware Limited Liability Company, hereinafter referred to as "Transporter" and ________________, a ___________________________ Corporation, hereinafter referred to as "Shipper." Transporter and Shipper shall collectively be referred to herein as the "Parties".

ARTICLE I

DEFINITIONS

1.1 MAXIMUM DAILY QUANTITY (MDQ) - shall mean the maximum daily quantity of gas which Transporter agrees to receive and transport, subject to Article II herein, for the account of Shipper hereunder on each day during each year during the term hereof which shall be ______ Mcf._

1.2 EQUIVALENT QUANTITY - shall be as defined in Section 1 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE II

TRANSPORTATION

Transporter agrees to accept and receive daily on an interruptible basis, as determined in Transporter's sole opinion, at the Receipt Point(s), from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Maximum Daily Quantity of gas and deliver to or for the account of Shipper to the Delivery Point(s) an equivalent quantity of gas.

ARTICLE III

POINT(S) OF RECEIPT AND DELIVERY

The Receipt and Delivery Point(s) shall be those points specified on Exhibit "A" attached hereto.

Issued On: March 1, 2017
Effective Date: March 1, 2017
IT-1 TRANSPORTATION SERVICE AGREEMENT (Cont'd)

ARTICLE IV

FACILITIES

4.1 [This Agreement shall not become effective and Transporter shall have no obligation or liability to Shipper hereunder until Transporter notifies Shipper in writing that all facilities are in place and ready to render the service provided for in this Agreement.]

or

4.1 [All facilities are in place and ready to render the service provided for in this Agreement.]

4.2 Transporter's obligation to build or install new facilities to perform this service is subject to the provisions of Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE V

QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality Specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

ARTICLE VI

RATES AND CHARGES FOR GAS TRANSPORTATION

6.1 TRANSPORTATION RATES - Commencing with the date of initial receipt of gas for transportation hereunder, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein

Issued On: March 1, 2017  Effective Date: March 1, 2017
IT-1 TRANSPORTATION SERVICE AGREEMENT (Continued)

6.1 TRANSPORTATION RATES - (cont'd)

shall be in accordance with Transporter's Rate Schedule IT-1 and the General Terms and Conditions of Transporter's FERC Gas Tariff. Pursuant to Rate Schedule IT-1 of the Tariff, Transporter may agree from time to time to collect a rate lower than the maximum rate set forth in the Tariff. Such a discounted rate shall be set forth in Exhibit B.

6.2 INCIDENTAL CHARGES - Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.

6.3 CHANGES IN RATES AND CHARGES - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule IT-1, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VII

BILLINGS AND PAYMENTS

Transporter shall bill in accordance with Section 5 of Rate Schedule IT-1 and Shipper shall pay all rates and charges in accordance with Section 14 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

With at least five (5) Business Days advanced written notice to the other party, Shipper and Transporter have the right to examine the other party's records to the extent necessary to verify the accuracy of any statement, charge, or computation made pursuant to or directly affecting this Agreement. Such right may be exercisable only during the other party's normal business hours and at the other party's place of business. In
IT-1 TRANSPORTATION SERVICE AGREEMENT (Continued)

ARTICLE VII (cont'd)

the event an error is discovered (except as provided in Sections 4.6, 12.3 and 14.7 of the General Terms and Conditions of Transporter's FERC Gas Tariff) in the amount billed to Shipper in any billing statement issued by Transporter, such error shall be adjusted within thirty (30) days of the submittal of a claim for the amount in error; provided, however, that the claim for the error shall have been made within fifteen (15) months from the first day of the year following the year of the date of the billing statement in question.

ARTICLE VIII

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule IT-1 and to the General Terms and Conditions of Transporter's FERC Gas Tariff incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX

REGULATION

9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.

9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.
IT-1 TRANSPORTATION SERVICE AGREEMENT (Continued)

ARTICLE X

RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE XI

WARRANTIES

11.1 In addition to the warranties set forth in the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:

(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify, defend and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Shipper agrees to indemnify, defend and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expense (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.

11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.
ARTICLE XII
TERM

12.1 This Agreement shall be effective from the date hereof and shall remain in full force and effect on a month to month basis unless and until terminated by either Party upon at least thirty (30) days' prior written notice to the other Party.

12.2 Any portion of this Agreement necessary to resolve or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's FERC Gas Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance no later than twelve months after the termination of this Agreement.

12.3 This Agreement shall be subject to termination upon written notice from Transporter in the event Shipper fails to pay the amount of any bill for service rendered by Transporter hereunder in accord with Section 14 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

12.4 The indemnification provisions and payment obligations hereof shall survive such termination relative to all losses, deaths, injuries, claims, billings, liens, demands and causes of action of every kind and character, discovered or undiscovered, arising out of, or in connection with, or as an incident to this Agreement.

ARTICLE XIII
NOTICE

Except as otherwise provided in the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:
IT-1 TRANSPORTATION SERVICE AGREEMENT (Cont'd)

ARTICLE XIII NOTICE - (cont'd)

TRANSPORTER: MISSISSIPPI CANYON GAS PIPELINE, LLC
1100 Louisiana, Suite 3300
HOUSTON, TEXAS  77002
ATTENTION: TRANSPORTATION SERVICES
TELEPHONE NO.
FACSIMILE NO.

SHIPPER:

NOTICES: ______________________
___________________________
___________________________
___________________________

ATTENTION: ________________
TELEPHONE NO. ________
FACSIMILE NO. ________

BILLING: ____________________
___________________________
___________________________
___________________________

ATTENTION: ________________
TELEPHONE NO. ________
FACSIMILE NO. ________

or to such other address as either Party shall designate by formal written notice to the other.

Shipper shall provide Transporter in writing prior to the initiation of service under this Agreement the names of three persons authorized by Shipper to conduct daily operations under this Agreement in priority order of Contact with appropriate telephone and facsimile numbers. Shipper shall amend this listing in writing when there is any change of authorized persons.
IT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

ARTICLE XIV

ASSIGNMENTS

14.1 Transporter may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Shipper may, without relieving itself of its obligations under this Agreement, assign or any of its rights and obligations hereunder to a company with which it is affiliated provided that prior to the effective date of such assignment the provisions of Section 6.3 of Rate Schedule IT-1 are met by the particular affiliated company.

14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

ARTICLE XV

MISCELLANEOUS

15.1 THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.

15.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.

15.3 Unless otherwise expressly provided in this Agreement or Transporter's FERC Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective unless agreed by the Parties in writing or over Transporter's Internet Web Site.
IT-1 TRANSPORTATION SERVICE AGREEMENT (cont'd)

15.4 Exhibit "A" attached hereto is incorporated herein by reference and made a part hereof for all purposes.

15.5 Reservation of Processing Rights

If Shipper has executed an effective Liquids transportation agreement with Transporter and an effective separation-stabilization agreement with the operator of the Separation-Stabilization Facility, Shipper shall retain title to the entire gas stream Shipper delivers to Transporter, including liquid hydrocarbons recovered from Shipper's gas by Transporter using conventional gravity separation facilities during transportation. Shipper hereby reserves the right at any time and from time to time to process the gas delivered to Transporter hereunder for the extraction of substances contained therein, including but not limited to, Retrograde Condensate, liquefiable hydrocarbons and concomitant materials (i.e., sulfur, carbon dioxide, nitrogen, helium, etc.), herein called "Plant Products", and Transporter specifically agrees not to have Shipper's gas processed without Shipper's express written consent. Any costs associated with Shipper exercising its Processing Rights shall not be borne by Transporter.

If Shipper has not executed an effective Liquids transportation agreement with Transporter and an effective separation-stabilization agreement with the operator of the Separation-Stabilization Facility, Shipper shall be deemed to have relinquished title to any Liquids and/or Retrograde Condensate that is delivered with or attributable to the natural gas stream delivered to Transporter at a Receipt Point(s).

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

[SHIPPER]  
MISSISSIPPI CANYON GAS PIPELINE, LLC

BY: ____________________________  BY: ____________________________

TITLE: __________________________ TITLE: __________________________

DATE: __________________________  DATE: __________________________

Issued On: March 1, 2017  Effective Date: March 1, 2017
IT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

DATED___________, ______

BETWEEN

MISSISSIPPI CANYON GAS PIPELINE, LLC

AND

[SHIPPER]

RECEIPT POINT(S)

____________________

DELIVERY POINT(S)

____________________

____________________

(SHIPPER)

MISSISSIPPI CANYON GAS PIPELINE, LLC
IT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

EXHIBIT B

TO TRANSPORTATION SERVICE AGREEMENT

DATED____________, _____

BETWEEN

MISSISSIPPI CANYON GAS PIPELINE, LLC

AND

[SHIPPER]

Discount Information

Dated:___________________________

Discounted Transportation Rate:___________________________

Discounted Rate Effective: From:_____________ To:__________________

___ Life of Reserves/Lease

___ Evergreen: ___ Year-to-Year

___ Month-to-Month

Condition for Discounted Transportation Rate (check applicable condition(s)):

___ Discounted Transportation Rate applicable to specified quantities under Shipper's Service Agreement(s):

_____________ Mcf

___ Discounted Transportation Rate applicable to specified quantities above or below a certain level or all quantities if quantities exceed a certain level:

Discounted Transportation Rate applicable to ________ Mcf above/below _____________ Mcf

or

Discounted Transportation Rate applicable to all quantities above _____________ Mcf
DISCOUNTED TRANSPORTATION RATE (continued)

EXHIBIT B (con't)

Discounted Transportation Rate applicable in a specified relationship to quantities actually transported:

Adjustment in Transportation Rate: __________ (based on __________ Mcf actually transported)

Discounted Transportation Rate applicable to specified quantities during specified periods of time or during specified periods of the year:

________________ Mcf for the following time period(s):

Discounted Transportation Rate applicable to specified quantities at specific Receipt Point(s) or Delivery Point(s):

Receipt Point(s):____________________
Delivery Point(s):____________________

Discounted Transportation Rate applicable to production reserves committed or dedicated by Shipper:

Production Reserves: __________ [Field or Block]

Discounted Transportation Rate based on published index prices for specific Receipt Point(s) and/or Delivery Point(s) or other agreed-upon published pricing reference points (based upon the differential between published prices or arrived at by formula):

Index Price(s): ________________
____________________

Differential between Index Prices

Formula: ________________

Issued On: March 1, 2017  Effective Date: March 1, 2017
IT-1 TRANSPORTATION SERVICE AGREEMENT (continued)

EXHIBIT B (con’t)

In no event shall the discounted rate established as set forth above exceed the otherwise applicable maximum lawful rate.

Signed for Identification

Mississippi Canyon Gas Pipeline, LLC:

________________________________

Shipper:________________________________

Supersedes Exhibit B, Dated:____________
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY

THIS AGREEMENT is made and entered into as of the ______ day of
__________, ______, by and between MISSISSIPPI CANYON GAS PIPELINE, LLC, a
Delaware Limited Liability Company, hereinafter referred to as "Transporter",
and ____________________, a ______________________ corporation, hereinafter
referred to as "Acquiring Shipper". Transporter and Shipper shall
collectively be referred to herein as the "Parties".

WITNESSETH

WHEREAS, Transporter provides firm transportation services to Shipper
under Part 284 of the Federal Energy Regulatory Commission's (Commission)
Regulations and Transporter's Rate Schedule FT-1 of its FERC Gas Tariff or
Rate Schedule FT-2 of its FERC Gas Tariff; and

WHEREAS, Shippers have the right to offer their firm transportation
capacity under Transporter's Rate Schedules FT-1 or FT-2 for release to other
parties on a temporary basis pursuant to Section 19 of the General Terms and
Conditions of Transporter's FERC Gas Tariff; and

WHEREAS, Acquiring Shipper will be bidding on offers of released
transportation capacity, and to the extent Acquiring Shipper is successful in
its bid(s), Transporter is willing to provide firm transportation service to
Acquiring Shipper pursuant to the provisions of Transporter's Rate Schedule
FT-1, Subpart G of Part 284 of the Commission's Regulations and this
Agreement or Transporter's Rate Schedule FT-2 and this Agreement.

NOW, THEREFORE, the Parties hereby agrees as follows:

ARTICLE I
SCOPE OF AGREEMENT

1.1 Subject to the terms, conditions and limitations hereof, so long
as the financial evaluation and credit appraisal requirements
pursuant to Section 6.3 of Transporter's Rate Schedules FT-1 or
FT-2 are met in order for Acquiring Shipper to be prequalified
for capacity releases and this Agreement is effective, Acquiring
Shipper may bid from time to time on proposed capacity releases
under Transporter's Rate Schedules FT-1 or FT-2 pursuant to the
procedures set forth in Section 19 of
Section 1.1 - (cont'd)

the General Terms and Conditions of Transporter's FERC Gas Tariff. If at any time a bid submitted by Acquiring Shipper is deemed to be the best bid by Transporter with respect to a given offer to release firm transportation capacity, Transporter will promptly finalize the appropriate Addendum to this Agreement, in the format attached hereto. Upon finalization of such Addendum, Acquiring Shipper and Transporter agree that Acquiring Shipper shall be considered for all purposes as a Shipper with respect to the released service.

1.2 Upon the finalization of an Addendum, subject to the terms, conditions and limitations hereof and of Transporter's Rate Schedule FT-1 or Rate Schedule FT-2, Transporter agrees to provide the released firm transportation service for Acquiring Shipper under its Rate Schedule FT-1, Rate Schedule FT-2, the General Terms and Conditions of Transporter's FERC Gas Tariff incorporated therein and this Agreement.

1.3 Acquiring Shipper hereby agrees to promptly provide any information necessary for Transporter to reevaluate Acquiring Shipper's credit appraisal under Section 6.3 of Transporter's Rate Schedules FT-1 or FT-2 and to advise Transporter of any material change in the information previously provided by the Acquiring Shipper to Transporter.

1.4 Subject to the terms and provisions of this Agreement, Transporter's Rate Schedules FT-1, or FT-2 and the General Terms and Conditions of Transporter's FERC Gas Tariff incorporated therein, Acquiring Shipper agrees to deliver, or cause to be delivered, to Transporter at the Primary Receipt Point(s) described in the Addendum and Exhibit "A" to this Agreement, and Transporter agrees to accept at such Point(s) for transportation under this Agreement, a quantity of gas on any day on a firm basis limited to the Receipt Point(s) and MDRQ(s) set out on the Addendum in effect on that day.
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY
(Cont'd)

1.5 Subject to the terms and provisions of this Agreement, Transporter's Rate Schedules FT-1, or FT-2 and the General Terms and Conditions of Transporter's FERC Gas Tariff incorporated therein, Transporter shall deliver an equivalent quantity of gas, as set forth in its Rate Schedules FT-1 or FT-2, to Shipper at the Delivery Point(s) described in the Addendum and Exhibit "A" to this Agreement. Transporter's obligation to redeliver gas on a firm basis at any Delivery Point on a given day is limited to the Delivery Point(s) and MDDQ(s) set out on the Addendum in effect on that day.

ARTICLE II
CONDITIONS OF SERVICE

2.1 It is recognized that the transportation service hereunder is provided on a firm basis pursuant to, in accordance with, and subject to the terms of the Addendum attached hereto, the provisions of Transporter's Rate Schedules FT-1, or FT-2 and the General Terms and Conditions incorporated therein, which are contained in Transporter's FERC Gas Tariff, as in effect from time to time, and which are hereby incorporated by reference. Any limitation of transportation service hereunder shall be in accordance with the priorities set out in Transporter's Rate Schedules FT-1, or FT-2 and the General Terms and Conditions of Transporter's FERC Gas Tariff incorporated therein.

2.2 Transporter shall have the right to discontinue service under this Agreement in accordance with Section 14.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

2.3 The Parties agree that neither party shall be liable to the other party for loss of profits or business interruptions arising out of or in any manner related to this Agreement.
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY
(Cont'd)

2.4 This Agreement is subject to the provisions of Subpart G of Part 284 of the Commission's Regulations and to Transporter's FERC Gas Tariff. Upon termination of this Agreement, Transporter and Acquiring Shipper shall be relieved of further obligation to the other party except to complete the transportation of gas underway on the day of termination, to comply with the provisions of the General Terms and Conditions of Transporter's FERC Gas Tariff with respect to any imbalances accrued prior to termination of this Agreement, to render reports, and to make payment for all obligations, (including indemnities) accruing prior to the date of termination.

ARTICLE III

NOTICES

3.1 Notices hereunder shall be given pursuant to the General Terms and Conditions of Transporter's FERC Gas Tariff to the respective Party at the applicable address, telephone number or facsimile machine numbers as the Parties shall respectively hereafter designate in writing from time to time:

TRANSPORTER: MISSISSIPPI CANYON GAS PIPELINE, LLC
1100 Louisiana, Suite 3300
HOUSTON, TEXAS 77002
ATTENTION: TRANSPORTATION SERVICES
TELEPHONE NO. FACSIMILE NO.

ACQUIRING SHIPPER:

NOTICES: ______________________
______________________
______________________
______________________
Section 3.1 - (cont'd)

ATTENTION: _______________________

TELEPHONE NO.______________
FACSIMILE NO.______________

BILLING: _______________________

___________________________
___________________________

ATTENTION: _______________________

TELEPHONE NO.______________
FACSIMILE NO.______________

Shipper shall provide Transporter in writing prior to the initiation of service under this Agreement the names of three persons authorized by Shipper to conduct daily operations under this Agreement in priority order of Contact with appropriate telephone and facsimile numbers. Shipper shall amend this listing in writing when there is any change of authorized persons.

ARTICLE IV
TERM

4.1 Subject to the provisions hereof, this Agreement shall become effective _____________, ______ and shall be in force and effect until ________________, ______.

ARTICLE V
BILLINGS AND PAYMENTS

5.1 Acquiring Shipper shall pay Transporter monthly for the transportation services rendered hereunder the Reservation Charge specified in the Addendum attached hereto and all other charges and penalties as specified or assessed under Transporter's Rate Schedules FT-1, or FT-2 and the General Terms and Conditions of Transporter's FERC Gas Tariff incorporated therein. In the event Transporter agrees from time to time to collect a rate lower than the maximum rate set forth in the Tariff for the transportation services rendered hereunder, such discounted rate shall be set forth in Exhibit B to the Addendum.
5.2 Acquiring Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedules FT-1 or FT-2; (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to those rate schedules. Transporter agrees that Acquiring Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VI

MISCELLANEOUS

6.1 This Agreement constitutes the entire Agreement between the Parties and no waiver by either Party of any default under this Agreement shall operate as a waiver of any subsequent default whether of a like or different character.

6.2 THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.

6.3 Except for the Addenda generated by Acquiring Shipper's successful bids for released capacity, no modification of or supplement to the terms and provisions hereof shall be or become effective except by execution of a supplementary written agreement between the Parties.

6.4 Transporter may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated.
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY
(Cont'd)

Section 6.4 - (cont'd)

Shipper shall not assign this Agreement or any of its rights hereunder, except in accord with Section 19 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

6.5 Any person which shall succeed by purchase, merger, or consolidation to the assets, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

6.6 Each Addendum and Exhibit "A" attached to this Agreement constitute part of this Agreement and are incorporated herein.

6.7 This Agreement is subject to all present and future valid laws and orders, rules, and regulations of any regulatory body of the federal or state government having or asserting jurisdiction herein.

6.8 Acquiring Shipper grants to Transporter its permission and approval to notify the Releasing Shipper, as defined in Section 19.1 of the Tariff’s General Terms and Conditions, (even when such Releasing Shipper is an Energy Affiliate of the Transporter) of certain credit-related issues pursuant to the General Terms and Conditions under Section 19.6 of the Transporter’s Tariff.

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above by the Parties' respective duly authorized officers.

[ACQUIRING SHIPPER] MISSISSIPPI CANYON GAS PIPELINE, LLC

BY: _____________________________ BY: _____________________________

TITLE: ___________________________ TITLE: ___________________________

DATE: ___________________________ DATE: ___________________________
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY
(Cont'd)

ADDENDUM
TO
SERVICE AGREEMENT
FOR
TEMPORARY RELEASE OF FIRM CAPACITY
BETWEEN
MISSISSIPPI CANYON GAS PIPELINE, LLC
AND
[SHIPPER]
DATED: __________, ________

Offer No.: ________________
Addendum No.: ________________
Agreement No.: ________________
Rate Schedule FT-____

Acquiring Shipper: ________________

Releasing Shipper: ________________

Releasing Shipper's Contract No.: ________________

Effective Date of Release: ___________ through ___________

Is this capacity subject to right of recall? YES_____ NO_____
Recall Conditions (if applicable):

________________________________________________________________
________________________________________________________________
________________________________________________________________
________________________________________________________________

Rates: Check all that apply:

Monthly reservation charge ______
Volumetric reservation charge ______
Volume commitment ______
Reservation charge prorated for days of recall _______

Reservation Charge (inclusive of reservation surcharge) $_____

Maximum Daily Quantity ______ (Mcf)
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY
(Cont'd)

ADDENDUM
TO
SERVICE AGREEMENT
FOR
TEMPORARY RELEASE OF FIRM CAPACITY
BETWEEN
MISSISSIPPI CANYON GAS PIPELINE, LLC
AND
[SHIPPER]
DATED:__________,_______

EXHIBIT "A"

ADDENDUM NO.:________________

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This Addendum, entered into pursuant to Transporter's capacity release program and the executed Temporary Capacity Release Service Agreement between Transporter and the Acquiring Shipper, is made a part of and subject to the aforementioned Temporary Capacity Release Service Agreement.
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY
(Cont'd)
ADDENDUM
TO
SERVICE AGREEMENT
FOR
TEMPORARY RELEASE OF FIRM CAPACITY
BETWEEN
MISSISSIPPI CANYON GAS PIPELINE, LLC
AND
[SHIPPER]
DATED:__________,_______

EXHIBIT "B"

ADDENDUM NO: __________

Discount Information

Discounted Transportation Rate:___________________________

Discounted Rate Effective: From:__________ To:______________

___ Life of Reserves/Lease

___ Evergreen: ___ Year-to-Year

___ Month-to-Month

Issued On: March 1, 2017            Effective Date: March 1, 2017
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY
(Cont'd)

Condition for Discounted Transportation Rate (check applicable condition(s)):

___ Discounted Transportation Rate applicable to specified quantities under Shipper's Service Agreement(s):
   ____________ Mcf

___ Discounted Transportation Rate applicable to specified quantities above or below a certain level or all quantities if quantities exceed a certain level:
   Discounted Transportation Rate applicable to ______ Mcf above/below _____________ Mcf
   or
   Discounted Transportation Rate applicable to all quantities above _____________ Mcf

___ Discounted Transportation Rate applicable in a specified relationship to quantities actually transported:
   Adjustment in Transportation Rate: ____________ (based on ____________ Mcf actually transported)

___ Discounted Transportation Rate applicable to specified quantities during specified periods of time or during specified periods of the year:
   ____________ Mcf for the following time period(s):
   ____________

___ Discounted Transportation Rate applicable to specified quantities at specific Receipt Point(s) or Delivery Point(s):

   Receipt Point(s): ____________
   Delivery Point(s): ____________
FORM OF SERVICE AGREEMENT
FOR TEMPORARY RELEASES OF
FIRM TRANSPORTATION CAPACITY

(Cont'd)

___ Discounted Transportation Rate applicable to production reserves committed or dedicated by Shipper:

Production Reserves:_______________ [Field or Block]

___ Discounted Transportation Rate based on published index prices for specific Receipt Point(s) and/or Delivery Point(s) or other agreed-upon published pricing reference points (based upon the differential between published prices or arrived at by formula):

Index Price(s): ____________________

______________________

___ Differential between Index Prices or Formula:________________________

In no event shall the discounted rate established as set forth above exceed the otherwise applicable maximum lawful rate.

Signed for Identification

Mississippi Canyon Gas Pipeline, LLC:

________________________________

Shipper: ___________________________

Supersedes Exhibit B, Dated:___________
FORM OF RESERVE COMMITMENT AGREEMENT

THIS RESERVE COMMITMENT AGREEMENT (Agreement) is made and entered into as of the _____ day of ___________, ______, by and between MISSISSIPPI CANYON GAS PIPELINE, LLC, a Delaware Limited Liability Company, hereinafter referred to as "Transporter" and ______________, a ______________ Corporation, hereinafter referred to as "Shipper." Transporter and Shipper shall collectively be referred to herein as the "Parties".

ARTICLE I
DEFINITIONS

1.1 COMMITTED FIELD(S) - shall mean those Field(s) and associated blocks/leases set forth on Exhibit "A" hereto.

1.2 Capitalized terms not defined herein shall have the meaning ascribed thereto in Transporter's FERC Gas Tariff.

ARTICLE II
RESERVE DEDICATION

2.1 Subject to the provisions of Sections 2.3, 2.4 and 2.5 of this Agreement, Shipper hereby agrees to deliver into and transport through Transporter's Facility all natural gas produced by or for the account of Shipper from the Committed Field(s) for the economic life of the Committed Field(s).

2.2 In the event Shipper should transfer or assign any or all of its rights, title and/or interest in the Committed Field(s), Shipper agrees that any such transfer or assignment will be made subject to the terms of this Agreement, it being the intent of the parties hereto that the Committed Field(s) remain dedicated for purposes of transportation to Transporter's Facility for the economic life of the Committed Field(s). All of the provisions of this Agreement shall be applicable to assignees of
Fifth Revised Sheet No. 300
FERC Gas Tariff
Superseding
Second Revised Volume No. 1
Substitute Original Sheet No. 300

Mississippi Canyon Gas Pipeline, LLC

FORM OF RESERVE COMMITMENT AGREEMENT
(cont'd)

Section 2.2 - (cont'd)

Shipper's interests in the Committed Field(s) and such assignees shall receive a proportionate assignment of the rights and obligations hereunder with respect to the Committed Field(s) so assigned, to the extent that such assignee satisfies the requirements of Section 6.3 of Transporter's Rate Schedules FT-1, FT-2 or IT-1, as applicable. Upon such assignment, Shipper shall be relieved of its obligations under this Agreement to the extent, and only to the extent, so assigned to a third party.

2.3 From the obligations in Section 2.1, Shipper expressly reserves unto itself, its successors and assigns, the following rights and quantities of production sufficient to satisfy such rights:

(a) The right to operate the Committed Field(s) free from any control by Transporter including, without limitation, the right (but never the obligation) to drill new wells, to repair and rework old wells, to plug and abandon any well and to renew, surrender, release or terminate any lease (in whole or in part) covering the affected lands;

(b) The right to deliver production to lessors of leases on such lands in quantities sufficient to fulfill lease obligations from time to time, including the right to take royalty in kind;

(c) The rights to use production for development and operations of such lands, including (but not limited to) the use of gas for fuel, drilling (including gas drilling), deepening, reworking, compressing, gas lifting, processing, treating, cycling, repressuring or other supplemental recovery operations; and

(d) To process gas for the extraction of any components other than methane contained therein, except for such methane reasonably removed in such processing.
2.4 Temporary Release

(a) Shipper shall be released from its obligations under Section 2.1 with respect to any quantities of Shipper's production from the Committed Field(s) in excess of the capacity available on Transporter's Facility (i) under Shipper's existing Transportation Service Agreement(s), (ii) under Rate Schedule IT-1 and (iii) for commitment to firm service (referred to herein as "Excess Deliverability"). In the event of Excess Deliverability, Shipper shall be released from its obligations under Section 2.1 with respect to the Impacted Quantities pursuant to the provisions of subsection 2.4(d).

(b) Shipper shall be released from its obligations under Section 2.1 with respect to any quantities of Shipper's production from the Committed Field(s) up to the MDQ under Shipper's existing FT-1 or FT-2 Transportation Service Agreement(s) that Transporter is unable to accept for transportation (referred to herein as "Transporter Inability"). In the event of Transporter Inability, Shipper shall be released from its obligations under Section 2.1 with respect to the Impacted Quantities pursuant to the provisions of subsection 2.4(d).

(c) For purposes of Sections 2.4 and 2.5, Impacted Quantities shall mean those quantities of Shipper's production from the Committed Field(s) in excess of the combined quantities that Transporter could transport, on a firm or interruptible basis for Shipper. The Impacted Quantities shall be deemed to be the last quantities produced, so that any release under Section 2.4 or 2.5 is applicable only to the daily production quantity in excess of the quantity that Transporter is able to accept into Transporter's Facility on a given day.

(d) Shipper and Transporter shall discuss the cause and anticipated duration of any Transporter Inability or Excess Deliverability. Shipper will limit any
FORM OF RESERVE COMMITMENT AGREEMENT
(cont'd)

Section 2.4 - (d)(cont'd)

commitment it makes to third parties to deliver the
Impacted Quantities released under this Section 2.4 for a
period to coincide with the anticipated duration of the
Transporter Inability or Excess Deliverability; provided
that in no event will the Impacted Quantities be returned
for transportation under an FT-1, FT-2 or IT-1
Transportation Service Agreement later than the first day
of the calendar month following sixty (60) days after
receipt by Shipper of Transporter's notice that it is able
to accept all quantities tendered by Shipper from the
Committed Field(s).

2.5 Permanent Release

In the event of:

(1) Excess Deliverability under Section 2.4(a) for more
than 180 consecutive days; or

(2) Transporter Inability under Section 2.4(b) for more
than ninety (90) days during any rolling twelve month
period or for more than sixty (60) consecutive days,

Shipper may request in writing from Transporter a prospective
permanent release of the Impacted Quantities from the obligations
under Section 2.1. Transporter shall have six (6) months from
the date of receipt of Shipper's release request to take actions,
including without limitation the installation of facilities, to
enable Transporter to receive the Impacted Quantities from
Shipper. To that end, within three (3) months following
Shipper's release request, Transporter shall review with Shipper
the steps or actions Transporter is taking, or proposes to take,
to enable Transporter to receive the Impacted Quantities from
Shipper. Within thirty (30) days after such review, Shipper must
notify Transporter in writing if Shipper elects to implement the
permanent release of the obligations under Section 2.1 with
respect to the Impacted Quantities. Upon
Section 2.5 - (cont'd)

such notification and immediately after the end of the six (6) month period set forth above, Transporter will release the Impacted Quantities from the obligations under Section 2.1

ARTICLE III

TRANSPORTATION

3.1 Shipper may request that its production from the Committed Field(s) be transported under Transporter's Rate Schedules FT-1, FT-2 or IT-1, in accordance with the provisions of the applicable Rate Schedule.

3.2 Transporter agrees to accept and process Shipper's Requests for Service under Section 3.1 in accordance with the provisions of the applicable Transporter's Rate Schedules. Transporter does not guarantee sufficient capacity to transport all of Shipper's production from Committed Field(s). In the event of insufficient capacity, Shipper's sole and exclusive remedy shall be as specified in Sections 2.4 and 2.5 above.

3.3 Transporter shall have no obligation to build or install new facilities to provide transportation service for production from Committed Field(s).

ARTICLE IV

REGULATION

This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations.

ARTICLE V

TERM

This Agreement shall be effective _____________, ______, and shall remain in force and effect for the economic life of the Committed Field(s).
FORM OF RESERVE COMMITMENT AGREEMENT
(cont'd)

ARTICLE V TERM - (cont'd)

[For Shippers committing Ursa Field only:]

Prior to the initial service under this Agreement, Shipper may terminate this Agreement on thirty (30) days' written notice to Transporter in the event no plan of development is approved for Ursa Field or in the event Shipper does not consent to the approved plan of development for Ursa Field.

ARTICLE VI

NOTICE

Except as otherwise provided in the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:

TRANSPORTER:
MISSISSIPPI CANYON GAS PIPELINE, LLC
1100 Louisiana, Suite 3300
HOUSTON, TEXAS 77002
ATTENTION: TRANSPORTATION SERVICES
TELEPHONE NO.
FACSIMILE NO.

SHIPPER:
NOTICES:
____________________
____________________
____________________
ATTENTION:
 ____________________
 Telephone No. _______
 Facsimile No. _______

BILLING:
____________________
____________________
____________________
ATTENTION:
 ____________________
 Telephone No. _______
 Facsimile No. _______

or to such other address as either Party shall designate by formal written notice to the other.
ARTICLE VII
MISCELLANEOUS

7.1 THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.

7.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party’s option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

[SHIPPER]           MISSISSIPPI CANYON GAS PIPELINE, LLC

BY:_________________________    BY:_________________________

TITLE:______________________    TITLE:_______________________

DATE:_______________________    DATE:_______________________
FORM OF RESERVE COMMITMENT AGREEMENT
(cont'd)

EXHIBIT A

TO RESERVE COMMITMENT AGREEMENT

DATED _________________, ______

BETWEEN

MISSISSIPPI CANYON GAS PIPELINE, LLC

AND

[SHIPPER]

COMMITTED FIELD

__________________

ASSOCIATED BLOCKS/LEASES

__________________
FORM OF INTERACTIVE INTERNET WEBSITE AGREEMENT

(Date)
(Shipper Name)
(Attention)
(Address)

RE: Interactive Internet Website Agreement ("Agreement")

Dear _______________________:

Mississippi Canyon Gas Pipeline, LLC ("Transporter") will provide _______ ("Shipper") with access to and provide information concerning transportation services on Transporter's Facility (as defined in the General Terms and Conditions of Transporter's FERC Gas Tariff) via the Interactive Internet Website. Transporter hereby agrees to provide authorized representatives of Shipper with USER IDs and passwords necessary to access the Interactive Internet Website and in consideration therefore, Shipper agrees its use of the Interactive Internet Website shall be subject to the following terms and conditions.

1. Transporter agrees to permit those employees (including officers and directors) specified by Shipper to receive USERIDs and passwords for access to the Interactive Internet Website. Any person permitted by Shipper to access the Interactive Internet Website must have the legal authority to act on behalf of Shipper in performing those functions listed on the Interactive Internet Website's menu for which he/she is authorized, including those functions which are available presently and those functions which shall become available at a later date. In particular, Shipper shall designate one or more persons to perform the contracting function and thereby legally bind Shipper to any agreement or amended agreement executed by Shipper on the Interactive Internet Website. Shipper agrees and acknowledges that Transporter shall be entitled to rely on Shipper's representation that all persons authorized to perform a contracting function through the Interactive Internet Website have been duly authorized by Shipper to enter into one or more agreements or amended agreements on its behalf.

2. Transporter agrees that in addition to appropriately authorized employees, (including officers and directors), Shipper may access the Interactive Internet Website through an agent or representative, (hereinafter referred to as "Agent") as long as such Agent is appointed in writing through the agency agreement attached hereto as Exhibit A (Agency Agreement), which specifically gives the Agent the legal authority to act on
FORM OF INTERACTIVE INTERNET WEBSITE AGREEMENT (continued)

behalf of Shipper in performing any or all functions listed on the Interactive Internet Website menu, including those functions which are available presently and those functions which shall become available at a later date. Shipper agrees to provide Transporter’s Transportation Services Department with an executed original of the Agency Agreement. Transporter agrees that Shipper may cancel the Agency Agreement by notifying Transporter pursuant to the procedures set out in paragraph 6 of this Agreement. Transporter agrees further that Shipper may appoint a successor Agent by providing Transporter with an executed original of such successor’s Agency Agreement. Transporter shall not be required, however, to give effect to any Agency Agreement until Transporter has actually received an executed original of such Agency Agreement in writing or through the Interactive Internet Website if the Agency Agreement has been executed on the Interactive Internet Website.

3. Prior to being issued USERIDs and passwords, each of Shipper’s employees and Agents (collectively hereinafter referred to as "authorized persons") must return to Transporter a completed Interactive Internet Website Access Request Form in the form attached hereto as Exhibit B. Shipper agrees to promptly provide Transporter with any material change to the information provided thereon, including but not limited to the designation of an Agent.

4. Shipper’s combined USERIDs and passwords are confidential and are used to identify Shipper. Shipper agrees that only authorized persons of Shipper will be given Shipper’s USERIDs and passwords and only authorized persons will be permitted to access the Interactive Internet Website on Shipper’s behalf. Shipper agrees to keep confidential all USERIDs and passwords issued by Transporter to Shipper for use on the Interactive Internet Website. Shipper further agrees that Shipper and its authorized persons will not disclose its USERIDs and passwords, either separately or combined, to anyone without authority to access the Interactive Internet Website for Shipper. Any use of the Interactive Internet Website by any person whether authorized or not, using any of Shipper’s USERIDs and/or passwords shall be deemed to be use by Shipper and Shipper agrees to be responsible for and to accept liability for any such use.
5. Certain information contained in the Interactive Internet Website is proprietary and confidential. Shipper agrees not to disclose or otherwise make available confidential information to any other company, corporation or third party, whether such information is accessed in an authorized or unauthorized manner. This provision does not apply to any public information maintained by Transporter on the Internet Web Site, as such information is available to all parties.

6. Shipper agrees to notify Transporter if there is any indication that a security breach has occurred with regard to Shipper’s USERIDs and passwords. This includes, but is not limited to (i) loss of confidentiality of USERIDs and passwords; (ii) termination of employment of any authorized person; or (iii) loss of authority to access the Interactive Internet Website by any authorized person. Such notification shall be made to Transporter’s Transportation Services Department immediately by telephone and shall be followed by written notification within five (5) Business Days.

7. Shipper agrees to attempt to access only that data for which Shipper has authorization. All access attempts, whether successful or unsuccessful, are recorded.

8. Transporter shall operate its Interactive Internet Website in a prudent manner. Except for the negligence, fraud, or willful misconduct of Transporter, Transporter expressly disclaims liability for loss or damage resulting from Shipper’s actions or breach of this Agreement, events of Force Majeure, any defects in computer software, hardware, or programming, or any interruption in or malfunction of electronic communication or transmission. Shipper agrees to defend, indemnify and hold harmless Transporter, its affiliates and members and their respective officers, directors, employees and agents, from and against all claims, demands, damages, losses, costs and expenses (including court costs and reasonable attorney's fees) and liabilities of any nature whatsoever (collectively referred to herein as "Liabilities") arising out of any breach of this Agreement by Shipper or its authorized persons, or the use of the Interactive Internet Website or the information contained therein by Shipper or its authorized persons, to the extent, such Liabilities are not the direct result of the negligence,
fraud, or willful misconduct of Transporter. The parties hereto agree that neither party shall be liable to the other party, or its corporate parent, subsidiaries or affiliates or members for any special, punitive, exemplary, indirect or consequential damages (including, without limitation, loss of profits or business interruptions) incurred by said party arising out of or in any manner related to this Agreement, the provision and use of the Interactive Internet Website, or the information contained therein.

9. Shipper understands and agrees that Transporter may act, and shall be fully protected in acting, in reliance upon any acts or things done or performed by persons utilizing Shipper’s USERIDs and passwords on behalf of Shipper (so long as Transporter is not aware of a security breach), and that Transporter shall be held harmless from any omission or failure by Shipper to act or perform any duty required by a function accessed through the Interactive Internet Website.

10. A USERID that is inactive for ninety (90) days shall be automatically suspended. If Shipper’s USERID is suspended as set forth herein, Shipper may contact Transporter’s Transportation Services Department to have its USERID reinstated.

11. Transporter reserves the right to invalidate Shipper’s USERIDs and passwords at any time in the event Shipper breaches any of the terms of this Agreement and such breach, in Transporter’s sole judgment, threatens the security or integrity of the system and Shipper fails to cure the breach within twenty four (24) hours of notification from Transporter. If Transporter terminates the Interactive Internet Website system pursuant to the following paragraph, Transporter shall invalidate Shipper’s USERIDs and passwords effective on the date of the termination of the Interactive Internet Website.

12. Transporter reserves the right to modify or terminate the Interactive Internet Website at any time so long as such modification or termination is not prohibited by the regulations of the Federal Energy Regulatory Commission.
13. Subject to the provisions of Paragraph 12 herein, this Agreement shall be in effect as of the date written above and shall continue unless and until canceled by either party on ten (10) days' written notice given to the other party prior to the end of any calendar month to be effective at the end of such month.

14. To the extent Shipper utilizes the Interactive Internet Website to transmit and receive dispatching notices under the General Terms and Conditions of Transporter’s FERC Gas Tariff, then provisions of those General Terms and Conditions shall be deemed to be satisfied and notice on the Internet Web Site shall constitute valid notice between the parties.

15. THE PROVISIONS OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS.

16. Shipper acknowledges and agrees that (a) Transporter is a Delaware limited liability company; (b) Shipper shall have no recourse against any member of Transporter with respect to Transporter’s obligations under this Agreement and its sole recourse shall be against the assets of Transporter, irrespective of any failure to comply with applicable law or any provision of this Agreement; (c) no claim shall be made against any member of Transporter under or in connection with this Agreement; (d) Shipper shall have no right of subrogation to any claim of Transporter for any Capital Contribution from any member of Transporter; and (e) this representation is made expressly for the benefit of the members of Transporter.

17. Unless specifically provided in this Agreement, any written notice or other communication shall be deemed given when received by the party entitled to notice, except that if received after 5:00 p.m. central time on any day, such notice shall be deemed given on the next Business Day. Notices shall be directed as follows:

(a) if to Shipper, to:

Attn: ___________________

_________________________

Telephone: ________________
Facsimile: ________________

(b) if to Transporter, to:

Mississippi Canyon Gas Pipeline, LLC
Attn: ________________
1100 Louisiana, Suite 3300
Houston, Texas 77002
Telephone: ________________
Facsimile: ________________
FORM OF INTERACTIVE INTERNET WEBSITE AGREEMENT (continued)

In like manner either party may change the address to which notices to it should be directed.

Please indicate your agreement with the above by signing below and returning one completely executed copy to Operator.

Yours very truly,

MISSISSIPPI CANYON GAS PIPELINE, LLC

By:___________________________

Accepted and Agreed to this ___ day of__________, _____.

(Shipper)
By:__________________________________
Title:_________________________________
FORM OF INTERACTIVE INTERNET WEBSITE AGREEMENT (continued)

EXHIBIT A
Agency Agreement

Mississippi Canyon Gas Pipeline, LLC (Transporter) and _____________ (hereinafter Shipper) are parties to a letter agreement dated _____________ (hereinafter Interactive Internet Website Agreement) which sets forth the terms and conditions for Shipper’s use of Transporter’s Interactive Internet Website to receive transportation service information on Transporter’s Facility (as defined in the General Terms and Conditions of Transporter’s FERC Gas Tariff). This agency agreement (Agency Agreement) shall constitute an agreement pursuant to which Shipper appoints an agent and representative under the Interactive Internet Website Agreement for the purposes set forth below.

Accordingly, Shipper hereby appoints _____________ (hereinafter Agent) as its agent and representative to act on behalf of Shipper in performing the menu functions indicated by the Shipper on the Interactive Internet Website Access Request Form, including those functions which are presently available and those functions which shall become available at a later date. Agent agrees to be bound by the terms and conditions set forth in the Interactive Internet Website Agreement.

It is understood and agreed that Transporter may act, and shall be fully protected when acting, in reliance on any acts or things done or performed by Agent on behalf of Shipper and with respect to all matters for which authority is granted herein until Transporter receives notice that this Agency Agreement has been canceled by either party hereto. Shipper shall hold Transporter harmless from any omission or failure by Agent to act or perform any of the duties herein authorized.

Please indicate agreement with the above by signing below. This Agency Agreement shall be effective as of the last date written below.

SHIPPER:

By: _______________________________ Date: _____________________________

Name:__________________________
Title: _____________________

AGENT:

By: _______________________________ Date: _____________________________

Name:__________________________
Title: _____________________

Issued On: March 1, 2017  Effective Date: March 1, 2017
EXHIBIT “B”
INTERACTIVE INTERNET WEBSITE ACCESS REQUEST FORM

SHIPPER/OPERATOR (Complete Legal Name)_______________________________________
Mailing Address: _________________________________________________________________
City: _______________________ State: __________________________ Zip: ________
DUNS Number: ____________________________

USER’S FULL NAME: _______________________________ Phone Number: ______________
Email Address: ____________________________

Is Authorized User an employee or an agent? ______EMPLOYEE ______AGENT

USER’S EMPLOYER (if Agent): ______________________________________________________
Mailing Address: _________________________________________________________________
City: _______________________ State: ________________________ Zip: ______

Indicate if Access Request is for:
__ SHIPPER  __ OPERATOR  __ SHIPPER & OPERATOR

Indicate Access Authorization for this User:
__ SHIPPER - LIMITED ACCESS
   Submit Nominations
   View Reports/Retrieve Invoices
__ SHIPPER - FULL ACCESS
   Submit Nominations
   Submit/Authorize Imbalance Trades
   Submit/Authorize Capacity Release Transactions
   View Reports/Retrieve Invoices
__ SHIPPER - VIEW ONLY ACCESS
   View Only Access to Reports (includes invoices)
__ OPERATOR - ACCESS
   Submit Confirmations and PDAs
   View Reports/Retrieve Invoices
__ OPERATOR - VIEW ONLY ACCESS
   View Only Access to Reports (includes invoices)
__ DESIGNATED ADMINISTRATOR
   Authorization allows user to request the user name(s) and the security privilege information for all users who have been granted access under an Exhibit “B” to this agreement. (Limit 2 per Shipper/Operator)

Signed by User: ____________________________ Date: __________________

Approved by SHIPPER/OPERATOR’s Signing Officer: ____________________________
Title: ____________________________ Date: __________________

Security approved by: ____________________________ Date: __________________
SERVICE REQUEST FORM

Requests for service under Mississippi Canyon’s FERC Gas Tariff shall be deemed valid only after the following information is provided by Shipper in writing to Mississippi Canyon’s Transportation Services, at 1100 Louisiana, Suite 3300, Houston, Texas 77002, or Fax Number (832) 214-5791. Acceptance of a request is contingent upon a satisfactory credit appraisal by Mississippi Canyon in accordance with Section 31 of the General Terms and Conditions of its FERC Gas Tariff.

Date of Request: _____________________________

I. Shipper (Full Legal Name): ___________________________________________

Shipper Address: ______________________________________________________

Telephone No.: _______________________________________________________

Fax No.: _____________________________________________________________

E-mail address: _______________________________________________________

Contact Name/Department: _____________________________________________

II. Type of legal entity and state of incorporation/formation:

______________________________________________________________

______________________________________________________________

III. Type of company:

_____ Interstate Transporter

_____ Local Distribution Company

_____ Intrastate Transporter

_____ Producer

_____ End-User

_____ Marketer

_____ Broker

_____ Other (describe)_______________________________________________

Shipper’s Federal Tax ID # ____________________

Shipper’s DUNS # __________________________

Is Shipper affiliated with Mississippi Canyon Gas Pipeline, LLC?______

Y      N

If yes, what is the percentage of affiliation? ________%

Is Shipper’s supplier affiliated with Mississippi Canyon Gas Pipeline, LLC?______

Y      N

If yes, what is the percentage of affiliation? ________%
SERVICE REQUEST FORM (Continued)

IV. Type of Service (circle one)  FT-1  FT-2  IT-1

(Other type of Service) ________________________________

Modifying Existing Service?: ___Y___ N
If requesting a modification, list all affected agreement(s):

_____________________________________________________
_____________________________________________________
_____________________________________________________

Transportation Rate Requested: __________

V. Production Platform(s) (Block No(s).): __________

VI. Maximum Daily Quantity (MDQ) Requested: ________________ Dth

Dates of Service: Commencing __________ Ending __________

_____ Evergreen: _____ Month to Month _____ Year to Year

_____ Life of Reserves/Lease

For service pursuant to Rate Schedule FT-2, Shipper elects either an Annual Option or a Quarterly Option, as more fully defined in Section 5 of Rate Schedule FT-2 and in Article 1.4 of the FT-2 Transportation Service Agreement, and the Maximum Daily Quantity (MDQ) to be transported is:

<table>
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<th>Option Election (Annual/Quarterly)</th>
<th>MDQ(Dth)</th>
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For new service requests under Rate Schedule FT-2, the following information is attached hereto:

(a) identification of the Field(s) to be committed under Rate Schedule FT-2 and the associated Blocks/Leases under which the Field(s) exist.

(b) A schedule of the proposed Maximum Daily Quantity (MDQ) for each Delivery Period, as defined in Article 1.4 of the FT-2 Transportation Service Agreement, for at least the minimum number of Delivery Periods as defined in Section 5 of Rate Schedule FT-2, per contract, and

(c) a life of field production forecast for the Committed Field(s) prepared by Shipper or the operator(s) of the Committed Field(s) which supports the proposed Maximum Daily Quantity.
SERVICE REQUEST FORM (Continued)

VII. Receipt Point(s): __________________________
     Delivery Point(s): __________________________

VIII. If additional or new facilities are required to receive or deliver gas for the transportation service requested herein, please provide description of facilities required, location and requested in-service date:

________________________________________________________________________
________________________________________________________________________

IX. Agent ( ) or Marketer ( ):

Company Name: ____________________________________________
Address: ____________________________________________
Telephone No.: __________________
Fax No.: __________________
E-mail address: __________________

If Agent, is Agent responsible for: Accounting, Invoices Y ___ N ___
Nominations, Scheduling Y ___ N ___

X. Credit Evaluation - A Shipper seeking service from Transporter under Rate Schedules FT-1, FT-2 or IT-1 must comply with the creditworthiness criteria as described in the General Terms and Conditions of the Mississippi Canyon Tariff.

Representatives of Shipper (up to two) that are authorized to receive notices regarding Shipper’s creditworthiness, including requests for additional information:

Name E-Mail Address
_________________________ ____________________________
_________________________ ____________________________

XI. Shipper understands that this request form, complete and unrevised as to format, must be received by Transporter before the transportation request will be accepted and processed.
SERVICE REQUEST FORM (Continued)

Shipper, by its signature, certifies to Transporter (1) that the information above is correct and accurate and that all necessary transportation arrangements with the upstream and downstream transporters have been or will be secured prior to the commencement of the requested transportation service and (2) that Shipper will have title to the gas that is to be delivered to Transporter and (3) that Shipper will advise Transporter of any changes in the information provided.

XII. Requested by: ___________________________(signature)

Name: ___________________________________

Title: _________________________________

Telephone: __________________________

E-mail Address: ______________________
SHIPPER NOMINATION FORM

Shipper Name: ____________________________
Master Contract No.: ______________________
Mississippi Canyon Gas Pipeline, LLC
Service Contract No.: ______________________
Transportation Services
Type of Service: ___________________________
Effective Date: ____________________________
1100 Louisiana, Suite 3300
End Date: _________________________________
Houston, Texas 77002
Shipper Contact: __________________________
Fax: __________________
Title: ___________________________________
Date: ____________________________________
Phone: _________________________________
Fax No.: ________________________________

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Issued On: March 1, 2017
Effective Date: March 1, 2017
SHIPPER NOMINATION FORM (continued)

Note: Please confirm changes with Mississippi Canyon Gas Pipeline, LLC at: ________________

ALL INFORMATION MUST BE FURNISHED TO MISSISSIPPI CANYON GAS PIPELINE, LLC PURSUANT TO SECTION 11 OF THE GENERAL TERMS AND CONDITIONS OF MISSISSIPPI CANYON GAS PIPELINE, LLC'S FERC GAS TARIFF.

Shipper Contact:___________________________
Title:_____________________________________
Date:______________________________________
Fax Number:_____________________________
FORM OF CONFIRMATION OF AGREEMENT TO TRADE IMBALANCES ON MISSISSIPPI CANYON GAS PIPELINE, LLC

| Confirming Shipper Name: | ______________________________ |
| Contact Name: | ______________________________ |
| Contact Phone Number: | ______________________________ |
| Contact Fax Number: | ______________________________ |

| Trading Partner Company Name: | ______________________________ |
| Contact Name: | ______________________________ |
| Contact Phone Number: | ______________________________ |
| Contact Fax Number: | ______________________________ |

| Volume Traded (MMBTU): | ______________________________ |

I hereby certify as shipper confirming and agreeing to this trade, that I have taken all steps necessary to effect the trade with the other party. I also indemnify and hold Mississippi Canyon Gas Pipeline, LLC harmless from and against any claims that either shipper may have against the other arising out of or as a result of the trade.

| Company Name: | ______________________________ |

| Authorized By: | ______________________________ |

Please complete and return to: Mississippi Canyon Gas Pipeline, LLC 1100 Louisiana, Suite 3300 Houston, TX 77002 Or fax to: Mississippi Canyon Gas Pipeline, LLC Attn: Transportation Services (832) 214-5716

Should you have any questions, please contact Transportation Services at (800) 428-3676.