

MIDCONTINENT EXPRESS PIPELINE LLC

April 18, 2018

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N. E.
Washington, D.C. 20426

Re: Midcontinent Express Pipeline LLC
MEP Housekeeping Filing
Docket No. RP18-

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the regulations of the Federal Energy Regulatory Commission (“Commission” or “FERC”), Midcontinent Express Pipeline LLC (“MEP”) hereby submits for filing the tariff records of its First Revised Volume No. 1 FERC Gas Tariff (“Volume No. 1”) listed in Appendix A.

Statement of Nature, Reasons and Basis

The purpose of this filing is to make miscellaneous updates, clarifications and error corrections to various sections of MEP’s currently effective tariff. The proposed changes and affected sections of the Tariff are described in Appendix B – Table of Tariff Changes. MEP asks the Commission to accept this tariff filing and permit the proposed tariff records to become effective June 1, 2018.

Procedural Matters

MEP respectfully requests waivers of the Commission’s regulations, to the extent necessary, to permit the proposed tariff records in Volume No. 1 to become effective June 1, 2018.

Materials Enclosed

In accordance with 18 C.F.R. Part 154.7(a) (1) of the Commission’s regulations, MEP states that the following items are included in this filing:

An eTariff XML filing package, filed as a zip (compressed) file, containing:

1. This transmittal letter; and
2. Appendix A, containing a list of the tendered tariff records; and
3. Appendix B, containing a reference table of proposed tariff changes; and
4. Clean and marked versions of the tariff records in PDF format.

Service

The undersigned certifies that a copy of this filing has been served pursuant to 18 C.F.R. § 154.208 on MEP's customers and interested state regulatory commissions.

Communications

Correspondence and communications concerning this filing should be sent to each of the following persons and that each should be included on the Commission's service list for this filing:

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Pursuant to 18 C.F.R. § 154.4(b) and § 385.2005 (a)(2) of the Commission's regulations, the undersigned, having full power and authority to execute this filing, has read this filing and knows its contents, and the contents are true as stated, to the best knowledge and belief of the undersigned.

Very truly yours,

/s/ T. Brooks Henderson

T. Brooks Henderson

Director, Rates & Regulatory

Midcontinent Express Pipeline LLC

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all customers of Midcontinent Express Pipeline LLC and all interested state commissions this 18th day of April, 2018.

/s/ T. Brooks Henderson
Brooks Henderson
Director, Rates & Regulatory
Midcontinent Express Pipeline LLC

APPENDIX A
MIDCONTINENT EXPRESS PIPELINE LLC

Volume No. 1 Tariff Sheets Proposed to be effective June 1, 2018

| | |
|---------------|----------------|
| Sheet No. 1 | Second Revised |
| Sheet No. 5 | First Revised |
| Sheet No. 206 | First Revised |
| Sheet No. 207 | First Revised |
| Sheet No. 208 | First Revised |
| Sheet No. 225 | First Revised |
| Sheet No. 226 | First Revised |
| Sheet No. 229 | First Revised |
| Sheet No. 232 | First Revised |
| Sheet No. 258 | First Revised |
| Sheet No. 263 | Second Revised |
| Sheet No. 264 | Second Revised |
| Sheet No. 328 | Second Revised |
| Sheet No. 340 | First Revised |
| Sheet No. 358 | First Revised |
| Sheet No. 380 | First Revised |
| Sheet No. 400 | Second Revised |
| Sheet No. 402 | First Revised |
| Sheet No. 406 | First Revised |
| Sheet No. 408 | First Revised |
| Sheet No. 409 | Second Revised |
| Sheet No. 410 | Second Revised |
| Sheet No. 411 | First Revised |
| Sheet No. 412 | First Revised |
| Sheet No. 413 | Third Revised |

**APPENDIX B
MIDCONTINENT EXPRESS PIPELINE LLC**

TABLE OF TARIFF CHANGES

| Sheet Number | Description |
|---|--|
| Sheet No. 206 GT&C Definitions 1.23 Leased Capacity and Leased Capacity Charges | Changed from Enogex Inc. (Enogex) to Enable Oklahoma Intrastate Transmission, LLC (“Enable Oklahoma”). Enable Oklahoma was formerly known as Enogex. |
| Sheets Nos. 1, 5, 206, 207, 208, 225, 226, 229, 232, 258, 263, 264, 328, 340, 358 and 380 | Changed all occurrences of Enogex on these sheets to Enable Oklahoma. |
| Sheet No. 5 Currently Effective Rates Enable Oklahoma Leased Capacity Charges | Added new receipt point Rose Valley which was added by Amendment No. 14 effective June 13, 2014 to the Capacity Lease Agreement between Enable Oklahoma and MEP. |
| Sheet No. 400 Form of Service Agreement Rate Schedules FTS and ITS | Miscellaneous grammatical/punctuation/spacing corrections. |
| Sheet No. 402 Form of Service Agreement Rate Schedules FTS and ITS | Miscellaneous grammatical/punctuation/spacing corrections. |
| Sheet No. 406 Form of Service Agreement Rate Schedule PALS | Miscellaneous grammatical/punctuation/spacing corrections. |
| Sheet No. 408 Form of Service Agreement Rate Schedule PALS | Miscellaneous grammatical/punctuation/spacing corrections. |
| Sheet No. 409 Form of Service Agreement Rate Schedule PALS | Miscellaneous grammatical/punctuation/spacing corrections. |
| Sheet No. 410 Form of Service Agreement Rate Schedule PALS Request Order Form | Miscellaneous grammatical/punctuation/spacing corrections. |
| Sheet No. 411 Form of Service Agreement Rate Schedule IBS | Miscellaneous grammatical/punctuation/spacing corrections. |
| Sheet No. 412 Form of Service Agreement Rate Schedule IBS | Correction to change from “Natural” to “MEP” in item g. Miscellaneous grammatical/punctuation/spacing corrections. |
| Sheet No. 413 Form of Service Agreement Rate Schedule IBS | Miscellaneous grammatical/punctuation/spacing corrections. |

CLEAN TARIFF

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CURRENTLY EFFECTIVE RATES
ENABLE OKLAHOMA LEASED CAPACITY CHARGES 1/

Firm Transportation 2/

| | |
|-----------------|-------|
| Waynoka | \$.17 |
| Rose Valley | \$.17 |
| Other West Zone | \$.15 |
| East Zone | \$.09 |

Interruptible Transportation 3/

| | |
|-----------------|-------|
| Waynoka | \$.17 |
| Rose Valley | \$.17 |
| Other West Zone | \$.15 |
| East Zone | \$.09 |

Authorized Overrun 3/

| | |
|-----------------|-------|
| Waynoka | \$.17 |
| Rose Valley | \$.17 |
| Other West Zone | \$.15 |
| East Zone | \$.09 |

Fuel (Inclusive of Gas Lost and Unaccounted For) 4/ 5/

Leased Capacity Activity Charges 6/

-
- 1/ Enable Oklahoma Leased Capacity Charges are defined in Sections 1.23 and 1.24 of the General Terms and Conditions.
 - 2/ Stated rate is a daily reservation rate. Monthly reservation is calculated as contract demand volume times rate times number of days per month.
 - 3/ Rate is per Dth transported.
 - 4/ The Fuel Rate applicable to Enable Oklahoma System's Eastern and Western Zone, as stated in Enable Oklahoma's currently effective Statement of Operating Conditions, including any separately stated Gas Lost and Unaccounted For rate, if applicable. Such rates will be posted on MEP's interactive website.
 - 5/ The Waynoka Fuel rate and the Rose Valley Fuel rate is equal to the sum of Enable Oklahoma System's Eastern and Western Zone rates as stated in Enable Oklahoma's currently effective Statement of Operating Conditions.

6/ These charges will be in an amount which reflects billings to MEP by Enable Oklahoma which satisfy the definition of Leased Capacity Activity Charges as defined in Section 1.24 of the General Terms and Conditions.

GENERAL TERMS AND CONDITIONS

1.21 INTERACTIVE WEBSITE

The term "Interactive Website" shall mean the interactive internet web site maintained by MEP for communication regarding its transportation services in accordance with applicable Commission Regulations and NAESB Standards, as more fully described in Section 13 of these General Terms and Conditions.

1.22 INTERIM PERIOD SERVICE

"Interim Period Service" shall mean service provided by MEP prior to the time that all facilities certificated in Docket No. CP08-6 (except Preapproved Capacity facilities) are placed into service. Interim Period Service will terminate once all the facilities for which certificate authority has been requested in Docket No. CP08-6 (except for Preapproved Capacity facilities) have been completed and placed in service.

1.23 LEASED CAPACITY AND LEASED CAPACITY CHARGES

"Leased Capacity" shall mean the capacity in the Enable Oklahoma Intrastate Transmission, LLC's System ("Enable Oklahoma") leased by MEP from Enable Oklahoma. The Leased Capacity shall be treated as if it were MEP's own capacity and shall be used by MEP to provide the services set forth in the Rate Schedules and General Terms and Conditions herein. Any Shipper using the Leased Capacity shall pay incremental Leased Capacity Charges in addition to any applicable charges for Zone 1 and/or Zone 2. The Leased Capacity Charges shall represent the costs incurred by MEP under the lease with Enable Oklahoma, including fuel and unaccounted for gas, reservation type charges for firm service and a rate per Dth for interruptible service. The Leased Capacity Charges will reflect the charges assessed by Enable Oklahoma to MEP as they change from time to time, including any credits from Enable Oklahoma. Service to Shippers on the Leased Capacity differs from service on the remainder of the System in the following respects:

GENERAL TERMS AND CONDITIONS

(a) Shippers are subject to different Gas quality standards for Gas receipts on the Leased Capacity (See Section 19 of these General Terms and Conditions).

(b) Shippers have different secondary point rights on Leased Capacity (See Section 2.4 of these General Terms and Conditions).

(c) Shippers have different rights to change points on the Leased Capacity (see Section 2.1(d) of these General Terms and Conditions).

(d) Shippers cannot segment Leased Capacity (see Section 6.13 of these General Terms and Conditions).

(e) Shippers pay separate Leased Capacity Charges which are designed to achieve a flow-through by MEP of charges paid Enable Oklahoma. The Leased Capacity Charges include: Reservation Charges for firm service, a rate per Dth for interruptible service, a rate for fuel which includes unaccounted for gas, and Leased Capacity Activity Charges (as defined below). Shippers do not pay MEP's Reservation Charges, Commodity Charges, Fuel Gas Charges, Unaccounted For Gas Charges, Balancing Service Charges or other charges with respect to Leased Capacity. Notwithstanding the foregoing, a Negotiated Rate or Negotiated Rate Formula may apply to the Leased Capacity.

(f) A Releasing Shipper cannot segment Leased Capacity and the price for the release of Leased Capacity is capped at the level of the Leased Capacity Charges (See Section 14 of these General Terms and Conditions).

(g) Rights of first refusal shall apply to Leased Capacity to the extent provided in Section 16.2(a) of these General Terms and Conditions).

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(h) Flexible hourly take rights do not apply to the Leased Capacity (See Section 18.3 of these General Terms and Conditions). Provided, however, to the extent charges for hourly take services are incurred by MEP on behalf of its Shippers' activities on the Leased Capacity, the costs associated with such hourly take services shall be a Leased Capacity Activity Charge to be included as part of the Leased Capacity Charge.

(i) Balancing Service Charges do not apply to the Leased Capacity. See Section 10 of these General Terms and Conditions. Provided, however, to the extent charges for balancing services are incurred by MEP on behalf of its Shippers' activities on the Leased Capacity, the costs associated with such balancing services shall be Leased Capacity Activity Charges, which will be included as a Leased Capacity Charge.

1.24 LEASED CAPACITY ACTIVITY CHARGES

"Leased Capacity Activity Charges" shall mean any charges (other than reservation, commodity and fuel and including lost and unaccounted for gas charges) Enable Oklahoma assesses MEP attributable to the activities of MEP's Shippers on the Leased Capacity, including, but not limited to, hourly take rights or balancing services.

1.25 MCF

"Mcf" shall mean one thousand (1,000) cubic feet of Gas.

1.26 MDQ

"MDQ" shall mean the maximum daily quantity of Gas which MEP is obligated to transport and deliver in the aggregate, as specified in the Agreement, except for Authorized Overrun Gas.

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(iii) Unless MEP elects to post the reserve price as part of the posting of an open season, MEP shall provide the reserve price or reserve price matrix to an independent third party before the posting of an open season. A bidder in an open season may request the reserve price or reserve price matrix applicable to that open season at any time after the close of the open season and MEP will provide such information to the requesting bidder within one Business Day after MEP receives the request.

(d) POINT CHANGES

Any Shipper with an FTS Agreement may request a permanent change in primary Point not involving Leased Capacity at any time. MEP will respond to such a request within two (2) Business Days. MEP shall grant such a request if firm transportation and point capacity is available to do so; provided that the parties can mutually agree on the rate unless the applicable FTS Agreement or related discount or Negotiated Rate or Negotiated Rate Formula agreement specifies the rate when there is such a permanent primary point change. Unless otherwise specifically agreed, if the Point change results in a shortened path which would reduce the applicable rate, the reservation rate applicable to the longer path shall apply for the remaining term of the Agreement, but the commodity rate applicable to the shortened path shall apply so long as the shortened path is in effect under the Agreement; provided, however, the Fuel Gas for the path utilized shall apply. Any such permanent point change shall be reflected in an amendment to the FTS Agreement. Any change in primary receipt points on the Leased Capacity is subject to the Agreement of Enable Oklahoma and MEP.

2.2 REDUCTIONS IN FIRM SERVICES

(a) While firm services are not ordinarily interrupted due to lack of capacity, capacity constraints may exist from time to time or interruption of service may be necessary for certain other reasons. MEP may decline to schedule and/or may curtail firm service for any of the following reasons:

(1) If Shipper tenders Gas which does not conform to the applicable quality requirements under Section 19 of these General Terms and Conditions;

GENERAL TERMS AND CONDITIONS

- (2) For reasons of Force Majeure;
- (3) Pursuant to Sections 2.7 or 2.8 of these General Terms and Conditions;
- (4) To rectify imbalances, to conform physical flows to nominations or to effectuate payback of imbalances, to the extent consistent with the specific Rate Schedule;
- (5) If there is a dispute over title, ownership or right to tender or to receive Gas.
- (b) Without limitation to the foregoing, unless otherwise agreed by contract, MEP shall have the right to reduce receipts or deliveries of Gas on any Day below Shipper's MDQ to permit maintenance, repair, overhaul, replacement, or construction of pipelines, compressors, metering, regulating, or other transmission facilities and equipment, or to maintain System integrity; provided, however, that with respect to routine repair and maintenance, MEP will attempt to schedule such activity during a period when it will not result in curtailment to firm services, or when such curtailment will be minimized, after consulting with the Shippers which could be affected.
- (c) No later than fifteen days prior to the scheduled activity (or, in the case of Leased Capacity, no later than one day after MEP receives notification from Enable Oklahoma), MEP will post on the Informational Postings portion of its Interactive Website a tentative schedule of planned maintenance, construction, test, rehabilitation or repair activities to be performed which MEP anticipates may cause it to fail to tender delivery of Shipper's scheduled quantities of Gas. The schedule will include the dates the activities are scheduled to begin and end as well as the portions of the System and capacity expected to be affected. MEP will endeavor to perform the activities in accordance with the posted schedule.

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(b) Subject to the priorities set out in Section 2.3 of the General Terms and Conditions, Shippers under Rate Schedule FTS shall have the right to use all Receipt and Delivery Points on MEP's System in either Zone 1 or Zone 2, to the extent the path of the FTS Agreement includes any part of that zone, as secondary Receipt and Delivery Points. Such points may be scheduled, however, only to the extent transmission and point capacity is available. The MDQ at any secondary point shall be equal to the MDQ for the Shipper within the zone. The priority of service at secondary points under Rate Schedule FTS shall be governed by Section 2.3 above. With respect to Leased Capacity, Shippers shall only have secondary point rights at the Points permitted under the Lease with Enable Oklahoma and only up to the rights at such points under the Lease not utilized by Shippers with firm primary rights at these Points. The Points available are posted on MEP's Interactive Website.

(c) If nominations by all Shippers for secondary point service for which such Shippers are eligible exceed MEP's available capacity on the applicable path, available capacity shall be allocated and scheduled pro rata based on a Shipper's confirmed nominations within MDQ within the applicable priority category as defined in Section 2.3 of these General Terms and Conditions.

(d) The primary Receipt and Delivery Points define the primary path(s) of an FTS Agreement, including the direction of "forward" flow for the primary path(s), and define whether a secondary point is "in path" or "out of path." Shippers may nominate service at secondary points so that the direction of flow is the same as or the opposite ("backhaul") from the primary path direction of flow, but if the direction of flow is opposite the primary path, such nomination shall be treated as being outside the primary path.

(e) Shippers under Rate Schedule ITS have access to all Points on MEP's System to the extent provided in Section 2.5(d) of these General Terms and Conditions. Shippers under Rate Schedules PALS and IBS have access to all Points on MEP's System, except the Points on Leased Capacity, but the Points actually utilized for any specific service will be specified in the Request Order for Rate Schedule PALS and in the IBS Agreement for Rate Schedule IBS.

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(3) In the event MEP can provide some service under Rate Schedule IBS on any portion of its System but that its capability on any Day is insufficient to schedule all Access Requests under Rate Schedule IBS, first priority for scheduling and curtailment purposes shall be granted to Access Requests which are linked to a firm transportation Agreement (if allocation within this class is required, allocation shall be pro rata based on MDQ). If sufficient capability is available to serve some but not all Access Requests under IBS Agreements linked to interruptible transportation Agreements, service under Rate Schedule IBS shall be allocated based on the price paid under the linked interruptible transportation Agreement.

(4) Service under Rate Schedule PALS shall not be scheduled if doing so would have an adverse effect on any firm or secondary point service. Service under Rate Schedule PALS shall be scheduled and curtailed based on MEP's system operational and System operational capability. Service hereunder shall be interrupted and curtailed if continuation of such service would be detrimental to MEP's ability to provide any firm service or any secondary point service. While service hereunder is not ordinarily expected to affect transportation capacity, if providing service hereunder would have an adverse effect on providing interruptible transportation service, a PALS Agreement shall for scheduling and allocation purposes be assigned the same priority as service under Rate Schedule ITS. The same priority shall be applied for scheduling and allocation in relation to service under Rate Schedule IBS or other PALS Agreements. Once a park or loan has been scheduled on any day under Rate Schedule PALS, that park or loan shall not be interrupted or curtailed to effectuate any other interruptible service, except for secondary point service.

(d) An ITS Agreement shall specify whether it covers Zone 1, Zone 2 or both zones. An Agreement under Rate Schedule ITS will include all Receipt and all Delivery Points within the zone(s) covered. With respect to Leased Capacity, Shippers shall only have rights at the Receipt and Delivery Points permitted under the Lease with Enable Oklahoma. Applicable maximum rates are specified in this Tariff by zone. With respect to Interim Period Service, a Shipper under an ITS Agreement will have all points on the portion of Zone 1 which is in service.

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Flow Order. In the event that for any Month, no penalty revenues are distributed because all Shippers failed to comply with Operational Flow Orders that Month, then the amount of penalty revenue for that Month may be held by MEP for application under Section 9.3(a) for a period of up to two (2) years, at which time that amount will be included in the amounts for distribution in the then current annual period to the extent not offset by costs under Section 9.3(a). The refunds in the prior sentence shall be calculated on a Monthly basis but distribution of the credit shall be annual. If the costs to be netted against penalty revenue exceed the penalty revenue in any Month, the excess costs may be carried forward to be applied against penalty revenue in subsequent Months. Thus, while distribution is made annually, the net penalty revenue credit shall be calculated on a Monthly basis, subject to the carry forward of costs as stated in the prior sentence. A Shipper which incurred Unauthorized Gas Charges or which failed to comply with an Operational Flow Order shall be excluded from distribution of net penalty revenues only for the Month in which that violation occurred.

(2) Where capacity has been released, any amounts distributed to the Original Shipper and the calculation and amounts distributed to the Original Shipper shall be based on the MDQ and flowing volumes of Gas for that Shipper (without considering any contracts of Replacement Shippers) during the relevant annual period; provided, however, that in the case of a permanent release, any amounts distributed hereunder with respect to the released capacity shall be distributed to the Replacement Shipper and the calculation and the amounts distributed to the Replacement Shipper shall be based on the MDQ and flowing volume for that Replacement Shipper during the relevant annual period. MEP shall file with the Commission a refund report for each annual distribution of penalty revenue under this subsection.

(c) Penalty revenue associated with the Leased Capacity Charges shall not be subject to this Section 9.3 or included in any calculation hereunder because such revenue is all passed on by MEP to Enable Oklahoma.

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(c) The Monthly Index Price (MIP) is based on the applicable Average Weekly Index Price (AWIP). MEP shall use either the highest AWIP or the lowest AWIP determined for each Month as the MIP for all monthly Imbalances subject to cashout hereunder, as described below. The AWIPs to be used in determining each Month's highest AWIP and lowest AWIP shall include the AWIPs for the Seven Day Periods prior to each Monday within the calendar month in which the Imbalance occurred, plus the AWIP for the next Seven Day Period.

(1) For Gas owed MEP (Underage Imbalances), the MIP shall be the highest of the AWIPs for the applicable location indicated below for the Month in which the Imbalance occurred.

(2) For Gas owed Shipper (Overage Imbalances), the MIP shall be the lowest of the AWIPs for the applicable location indicated below for the Month in which the Imbalance occurred.

(d) Trading and cashout of imbalances shall be implemented within Operational Impact Areas (OIAs). There are four Operational Impact Areas on the MEP System. OIA-1 is defined as the Interconnection of MEP or MarkWest and Enable Oklahoma and uses the NGPL Midcontinent Index Price. The following defines the geographical boundaries of the remaining Operational Impact Areas and the price index utilized for each area for determination of cashout prices:

GENERAL TERMS AND CONDITIONS

| <u>East of</u> | <u>West of and Including</u> | <u>Index</u> |
|---|---|------------------------|
| OIA-2 Interconnection of MEP and Enable Oklahoma | Interconnection of MEP and NGPL | NGPL TexOk |
| OIA-3 Interconnection of MEP and NGPL | Interconnection of MEP and Col. Gulf | Columbia Gulf Mainline |
| OIA-4 Interconnection of MEP and Col. Gulf | Interconnection of MEP and Transco | Transco Zone 4 |

(e) Following the period for netting, offsetting, buying and/or selling Imbalances, Shippers with remaining imbalances shall pay MEP or will be credited with the appropriate cashout amounts, unless otherwise agreed to in writing by MEP.

(f) In each instance when a Shipper(s) must cashout its remaining imbalances in any Operational Impact Area, MEP shall have the right to review the circumstances surrounding such remaining Imbalance and, in its judgment, waive all or a portion of the cashout amount. Any such waiver shall be granted on a non-discriminatory basis to all Shippers from whom cashout amounts were collected in that instance.

(g) The Overage Average Monthly Index Price (OAMIP) is a volume-weighted average of the applicable MIPs for the four Operational Impact Areas. For purposes of this calculation, the volume used for each Operational Impact Area shall be the net Overage Imbalance for that Operational Impact Area.

(h) The Underage Average Monthly Index Price (UAMIP) is a volume-weighted average of the applicable MIPs for the four Operational Impact Areas. For purposes of this calculation, the volume used for each Operational Impact Area shall be the net Underage Imbalance for that Operational Impact Area.

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16. PRE-GRANTED ABANDONMENT, CONTRACT ROLLOVERS, RIGHT OF FIRST REFUSAL AND BUY-OUTS OF EXISTING AGREEMENTS

16.1 GENERAL

Subject to Section 16.3, service performed by MEP under Part 284 of the Commission's Regulations shall expire, and shall be automatically abandoned, upon contract termination under: (a) any FTS transportation Agreement with a primary term of less than one (1) Year; and (b) any ITS, IBS or PALS Agreement regardless of term. Service under any FTS transportation Agreement with a term of one (1) Year or greater shall expire, and shall be automatically abandoned, on contract termination unless service is continued pursuant to Sections 16.2 or 16.3. Rights under this Section 16 shall not be available to the extent provided in Section 2.1(b)(7) of these General Terms and Conditions (relating to limited time period contracts). The right of first refusal under Section 16.2 hereof shall apply to Leased Capacity to the extent provided in such section. In addition, contractual rollovers under Section 16.3 hereof may apply to Leased Capacity.

16.2 RIGHT OF FIRST REFUSAL

(a) Any Shipper under a firm service Agreement with a term of one (1) Year or greater (including Leased Capacity) (unless otherwise agreed) and with a rate equal to the applicable maximum rate shall have the right to continue receiving service after the expiration of its existing Agreement to the extent consistent with this Section 16.2; provided however, that with respect to Leased Capacity, Shipper shall only be entitled to continue receiving service on the Leased Capacity pursuant to this section through the then remaining term of the Enable Oklahoma Lease. The prior sentence shall (unless otherwise agreed) include any such firm Agreement which incorporates a Negotiated Rate or Negotiated Rate Formula if (unless otherwise agreed) the revenue under such an Agreement equals or exceeds the revenue at the applicable maximum rate. MEP shall set out in the posting described in subsection 16.2(b) below the forms of bids which may be submitted in the Right of First Refusal. Bids may always be submitted in the rate form underlying the applicable maximum rate. Bids in the form of a Negotiated Rate or Negotiated Rate Formula may only be submitted if permitted in the posting. A match by the existing Shipper must be made in a bid form permitted under the posting. MEP shall not be required to provide service under the Right of First Refusal procedure at a

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(9) shall have a combined composition of not more than one and one-half (1.5) mole percentage of butane plus, including isobutene, normal butane and all heavier hydrocarbons (C4+);

(10) shall have a combined composition of total inert gases (principally nitrogen and carbon dioxide) of not more than four (4) mole percent; and

(11) shall have a Wobbe Index of not greater than 1400, calculated using Higher Heating Value (HHV), dry, based on the following mathematical definition:

$$\text{HHV} / (\text{Sqrt} (\text{SG}_{\text{gas}}))$$

Where:

HHV = Higher Heating Value (Btu/scf)

SG_{gas} = Specific Gravity

Sqrt = Square Root of

(b) MEP may, from time to time, as operationally necessary, establish and post on the Informational Postings portion of its Interactive Website an upper limit on the dew point for receipts on specified segments or other specified locations on its System (other than Leased Capacity) to prevent hydrocarbon fallout, or to assure that Gas will be accepted for delivery into downstream entities. MEP will include in such posting the anticipated duration of the limitation. MEP will provide as much prior notice as reasonably practicable and will attempt to provide in the posting at least ten (10) Business Days prior notice before the limitation becomes effective. If such prior notice is not practicable, MEP will explain the reason in the posting why it was unable to give such prior notice. Upon request, MEP will provide current information regarding the dew point at any point of receipt into MEP's System affected by the posting to the operator of that point or any producer, purchaser, supply aggregator or Shipper with Gas being tendered at that point. MEP shall not post, under this section, a cricondentherm dew point temperature of less than fifteen degrees Fahrenheit (15 degrees F).

(c) With respect to Leased Capacity, Gas received on the Leased Capacity must meet the Gas quality standards established by Enable Oklahoma. MEP will post on its Interactive Website the Gas quality standards in effect for the Leased Capacity.

GENERAL TERMS AND CONDITIONS

30.2 AWARD OF FIRM CAPACITY

To the extent the revenue level pursuant to the Negotiated Rate(s) or Negotiated Rate Formula provided for in Section 30.1 above should equal or exceed the revenue level at the Recourse Rate, the Shipper paying such Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula shall be treated, for capacity award purposes, as if the rate(s) paid had been equal to the Recourse Rate. Any Shipper, existing or new, paying the Recourse Rate(s) has the same right to capacity for capacity award purposes as a Shipper willing to pay an equal or higher Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula. If the Negotiated Rate or the rate under a Negotiated Rate Formula are always higher than the corresponding Recourse Rate, the Recourse Rate rather than the Negotiated Rate will be used as the price cap for the Right of First Refusal pursuant to Section 16.2 of these General Terms and Conditions. Where the Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula results in revenue which is greater than the Recourse Rate during certain portions of the relevant evaluation period but less than the revenue at the Recourse Rate during other portions of the relevant evaluation period (but the revenue pursuant to the Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula equals or exceeds that which would be generated at the Recourse Rate for the entire evaluation period), the value of bids and requests at the Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula for capacity award purposes shall be evaluated as though the Recourse Rate applied under such bid or request for the entire evaluation period. Where the Negotiated Rate(s) or rate(s) under the Negotiated Rate Formula result in revenue which is less than revenue at the Recourse Rate over the relevant evaluation period, the value of the bids or requests at the Negotiated Rate(s) or rate(s) under the Negotiated Rate Formula for capacity award purposes shall be evaluated based on such lower revenue and shall be afforded a correspondingly lower priority in a capacity award procedure than bids or requests at the Recourse Rate. In applying this Section 30.2, revenue associated with the Leased Capacity Charges, which passed through to Enable Oklahoma, will not be considered.

30.3 ACCOUNTING FOR COSTS AND REVENUES

The allocation of costs to and the recording of revenues from service at Negotiated Rate(s) or under a Negotiated Rate Formula will follow MEP's normal practices associated with all of its services under this Tariff. MEP will maintain separate records of Negotiated Rate and Negotiated Rate Formula transactions for each billing period.

GENERAL TERMS AND CONDITIONS

**36.7 PERIODIC RATE ADJUSTMENT FOR THE LEASED CAPACITY
FUEL GAS PERCENTAGE:**

(a) The Leased Capacity Fuel Gas Percentage reflects the charges assessed by Enable Oklahoma to MEP for fuel gas and lost and unaccounted for gas, as such charges are on file with the Commission, and may be revised from time to time. The initial Leased Capacity Fuel Gas Percentage shall be the currently effective charges for fuel gas and lost and unaccounted for gas applicable to the Leased Capacity that Enable Oklahoma has on file with the Commission to be effective on the Initial Effective Date. These percentages shall be redetermined in accordance with Section (b) hereof.

(b) MEP will adjust the Leased Capacity Fuel Gas Percentage on a periodic basis, consistent with the timing of FERC filings made by Enable Oklahoma, pursuant to its Statement of Operating Conditions, revising the fuel gas percentages applicable to Enable Oklahoma's system. The fuel percentages on Enable Oklahoma's system include a component for lost and unaccounted for gas. The adjustments to the Leased Capacity Fuel Gas Percentage will reflect the fuel gas percentage Enable Oklahoma has on file with the Commission applicable to the Leased Capacity and will be posted on MEP's interactive website. MEP will maintain a deferred account to account for any differences, should they occur, between Enable Oklahoma's fuel charges and MEP's collections of same from its Shippers.

[FOR RATE SCHEDULES FTS AND ITS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
TRANSPORTATION RATE SCHEDULE _____
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERCS REGULATIONS

- SHIPPER is: _____ a _____
- MDQ totals: _____ Dth per Day. (Specify any seasonal and/or variable terms and quantities).
- TERM: _____ through _____
[Specify contractual rollover-rights or seasonal or other variable term rights, if any] _____
- Service will be ON BEHALF OF:
_____ Shipper or
_____ Other: _____ a _____
- The ULTIMATE END USERS are (check one):
_____ customers of the following LDC/pipeline company(ies): _____
_____ customers in these states: _____; or
_____ customers within any state in the continental U.S.
- _____ This Agreement supersedes and cancels a _____ Agreement dated _____
_____ Capacity rights for this Agreement were released from _____
_____ [for firm service only] Service and reservation charges commence the
_____ later of:
(a) _____, and
(b) the date capacity to provide the service hereunder is available on MEP's
System.
_____ Other: _____
- | SHIPPER'S ADDRESSES | MEP'S ADDRESSES |
|---------------------|-----------------|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
- Any or all of the following provisions may be included (where applicable) in the FTS or ITS Agreement and/or in any related Negotiated Rate, Negotiated Rate Formula or Discount contracts, if any:
 - (DISCOUNTED RATE AGREEMENTS ONLY) Applicable Maximum and Minimum Tariff Rates. Notwithstanding any other provision of this Agreement, in no event shall a discounted rate billed by MEP be less than the applicable minimum rate or more than the applicable maximum rate set forth in MEP's FERC Gas Tariff, as may be revised from time to time.
 - (NEGOTIATED RATE AGREEMENTS ONLY) Applicable Maximum and Minimum Tariff Rates. Unless otherwise expressly provided in this Agreement, the Negotiated Rates or rates under a Negotiated Rate Formula shall apply to service provided by MEP to Shipper for the term of the Agreement notwithstanding any otherwise applicable maximum or minimum rates set forth in MEP's FERC Gas Tariff as may be revised from time to time.

[FOR RATE SCHEDULES FTS AND ITS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
TRANSPORTATION RATE SCHEDULE _____
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)

- 1. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF _____, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF _____.
- m. Entire Agreement. This Agreement contains the entire agreement between MEP and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this Agreement shall be effective unless agreed upon in a written instrument executed by MEP and Shipper which expressly refers to this Agreement.
- 9. The above-stated Rate Schedule, as revised from time to time, controls this Agreement and is incorporated herein. The attached Exhibits A and B (for firm service only), and C (if applicable), are a part of this Agreement. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF _____, AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT. This Agreement states the entire agreement between the parties and no waiver, representation or agreement shall affect this Agreement unless it is in writing. Shipper shall provide the actual end user purchaser name(s) to MEP if MEP must provide them to the FERC.

Agreed to by:

MEP

SHIPPER

/s/ _____
NAME: _____
TITLE: _____

/s/ _____
NAME: _____
TITLE: _____

[FOR RATE SCHEDULE PALS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE PALS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS

1. SHIPPER is: _____ a _____
2. Maximum Aggregate Quantity (Dth) _____ (On any Day, the total of all MAQ ROs can never exceed this quantity).
3. Maximum Daily Quantity (Dth) _____ (On any Day, the total of all MDQ ROs can never exceed this quantity).
4. TERM: _____ through _____
[Specify contractual rollover-rights or seasonal or other variable term rights, if any] and month to month thereafter until terminated by prior written notice by either party. Termination shall not discharge any obligation accrued hereunder.
5. Service will be ON BEHALF OF:

_____ Shipper or
_____ Other: _____ a _____
6. The ULTIMATE END USERS are (check one):

_____ customers of the following LDC/pipeline company(ies): _____;
_____ customers in these states: _____; or
_____ customers within any state in the continental U.S.
7. _____ This Agreement supersedes and cancels a _____ Agreement dated _____
_____ Capacity rights for this Agreement were released from _____
_____ [for firm service only] Service and reservation charges commence the
_____ later of:
(a) _____ and
(b) the date capacity to provide the service hereunder is available on MEP's
System.
_____ Other: . _____
8. SHIPPER'S ADDRESSES

MEP'S ADDRESSES

9. PALS Request Order. The form of the PALS Request Order attached hereto or such other mutually agreeable form, when executed by the parties shall evidence their agreement as to the terms of the particular transaction for the Park and Loan Service pursuant to this Agreement, including the quantity, rate, Receipt and Delivery Points for parking and lending and the term. The PALS Request Order may specify a range for the quantity and term of a Park and Loan. A single PALS Request Order may cover both a park and loan within limits specified.

[FOR RATE SCHEDULE PALS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE PALS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)

15. Any or all of the following provisions may be included (where applicable) in the PALS Agreement and/or in any related Negotiated Rate, Negotiated Rate Formula or discount contracts, if any:
- a. (DISCOUNTED RATE AGREEMENTS ONLY) Applicable Maximum and Minimum Tariff Rates. Notwithstanding any other provision of this Agreement, in no event shall a discounted rate billed by MEP be less than the applicable minimum rate or more than the applicable maximum rate set forth in MEP's FERC Gas Tariff, as may be revised from time to time.
 - b. (NEGOTIATED RATE AGREEMENTS ONLY) Applicable Maximum and Minimum Tariff Rates. Unless otherwise expressly provided in this Agreement, the Negotiated Rates or rates under a Negotiated Rate Formula shall apply to service provided by MEP to Shipper for the term of the Agreement notwithstanding any otherwise applicable maximum or minimum rates set forth in MEP's FERC Gas Tariff as may be revised from time to time.
 - c. Notifications. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this Agreement shall be in writing unless oral notification is expressly authorized herein, and shall be sent to the appropriate party at the relevant address set forth in the Transportation Agreement, as may be revised from time to time.
 - d. (DISCOUNTED RATE AGREEMENTS ONLY) Refunds. In no event shall MEP be required to refund to Shipper any amounts collected for service to which the discounted rate(s) apply, unless the relevant discounted rate billed to Shipper exceeds the corresponding applicable effective maximum rates set forth in MEP's FERC Gas Tariff, as approved by the FERC from time to time.
 - e. (NEGOTIATED RATE AGREEMENTS ONLY) Refunds. In no event shall MEP be required to refund to Shipper any amounts collected for service to which the Negotiated Rates or rates under a Negotiated Rate Formula apply, notwithstanding any otherwise applicable maximum or minimum rate set forth in MEP's FERC Gas Tariff, as may be revised from time to time.
 - f. (NEGOTIATED RATE AGREEMENTS ONLY) Shipper and MEP understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under MEP's FERC Gas Tariff and the regulations and policies of the FERC, including without limitation any requirements for MEP to file for and receive FERC approval of the Negotiated Rates.
 - g. Nonwaiver of Rights. No delay or failure to exercise any right or remedy accruing to either MEP or Shipper upon breach or default by the other will impair any right or remedy or be construed to be a waiver of any such breach or default, nor will a waiver of any single breach be deemed a waiver of any other breach or default.

[FOR RATE SCHEDULE PALS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE PALS
AGREEMENT DATED _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)

- h. Succession and Assignment. In the event any entity succeeds by purchase, merger or consolidation of title to the properties, substantially as an entirety, of Shipper, such entity shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under the Agreement. No other assignment of the Agreement nor of any of the individual rights or obligations hereunder by Shipper shall be effective as to MEP without the prior express written consent of MEP. The Agreement may be assigned by MEP to a wholly or partially owned affiliate, special purpose joint venture, partnership, or other affiliated entity, including a parent company or partnership, which shall include Kinder Morgan Energy Partners, LP or any affiliate of Kinder Morgan Energy Partners, LP).
 - i. No Third Party Beneficiaries. This Agreement shall not create any rights in any third parties, and no provision of this Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than MEP or Shipper.
 - j. Conformance to Law. It is understood that performance hereunder shall be subject to all valid laws, orders, rules and regulations of duly constituted governmental authorities having jurisdiction or control of the matters related hereto, including without limitation the Federal Energy Regulatory Commission.
 - k. Effect of Tariff. This Agreement shall at all times be subject to all applicable provisions of MEP's FERC Gas Tariff. In the event of any conflict between this Agreement and the terms of Rate Schedule PALS, the terms of this Agreement shall govern as to the point of conflict.
 - l. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF _____, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF _____.
 - m. Entire Agreement. This Agreement contains the entire agreement between MEP and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this Agreement shall be effective unless agreed upon in a written instrument executed by MEP and Shipper which expressly refers to this Agreement.
16. Rate Schedule PALS, as revised from time to time, controls this Agreement and is incorporated herein. The attached Exhibit A is a part of this Agreement. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF _____ AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT. This Agreement states the entire agreement between the parties and no waiver, representation or agreement shall affect this Agreement unless it is in writing. Shipper shall provide the actual end user purchaser name(s) to MEP if MEP must provide them to the FERC.

Agreed to by:

MEP

SHIPPER

/s/: _____
NAME: _____
TITLE: _____

/s/: _____
NAME: _____
TITLE: _____

Request Order RO No.: _____

**PALS REQUEST ORDER FORM
 DATED _____**

Shipper: _____ Type of Service: Park _____ Loan _____

Initiation Point Name(s) and PIN(s): _____ MAQ RO: _____ (Dth)

Completion Point Name(s) and PIN(s): _____ Minimum Aggregate Quantity: _____

Term: Start _____ End _____ PALS Agreement #: _____

Schedule:

| Date(s) Service to be Provided (May Reflect a Range of Dates) | | Daily Quantity (Dth) (May Reflect a Range of Volumes) | | | |
|--|---------|--|---------|-----------------------|---------|
| From | Through | Park or Loan Payback | | Loan or Park Delivery | |
| | | Minimum | Maximum | Minimum | Maximum |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |

Rates: Rates may vary based on volume, time period, etc., as set out in the Service Agreement

Daily PALS Usage Charge:* _____.

Service will be ON BEHALF OF:

____ Shipper or
 ____ Other: _____ a _____

SHIPPER'S CONTACT AND ADDRESS

Phone: _____ Fax: _____

Other Conditions (if any): _____

Agreed to by:

MIDCONTINENT EXPRESS PIPELINE LLC

SHIPPER

/s/: _____
 NAME: _____
 TITLE: _____

/s/: _____
 NAME: _____
 TITLE: _____

* The rate shall be the applicable maximum rate and other applicable maximum lawful charges except as otherwise provided specified in writing, which agreement must be consistent with Section 34 or 30 of the General Terms and Conditions of this Tariff (relating to Discounting and Negotiated Rates respectively).

[FOR RATE SCHEDULE IBS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE IBS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERCS REGULATIONS

- 1. SHIPPER is: _____ a _____
 - a. If Shipper is affiliated with MEP, check here []
- 2. Linked Transportation Agreement: _____
- 3. IBS MDQ: _____ Dth per day.
- 4. Identification of End-Use Facility or Facilities _____
- 5. TERM: _____ through _____
 provided, however, that this Agreement shall terminate if the linked transportation Agreement is no longer in effect for any reason and the parties have not entered into or designated a substitute linked transportation Agreement. Further, service hereunder shall be suspended if the linked transportation Agreement is released and the parties have not entered into or designated substitute linked transportation; provided, however, that if the release is partial, service hereunder shall be suspended only partially, to the extent of the partial release. [Specify any contractual rollover rights and seasonal or other variable term rights, if any].
- 6. Service will be on BEHALF OF (where applicable):
 _____ Shipper or
 _____ Other: _____, a _____
- 7. The ULTIMATE END USERS are (check one):
 _____ customers of the following LDC/pipeline company(ies): _____;
 _____ customers in these states: _____; or
 _____ customers within any state in the continental U.S.
- 8. _____ This Agreement supersedes and cancels a _____ Agreement dated _____
- 9. SHIPPER'S ADDRESSES MEP'S ADDRESSES
 _____ _____
- 10. Any or all of the following provisions may be included (where applicable) in related negotiated rate or discount contracts, if any:
 - a. (DISCOUNTED RATE AGREEMENTS ONLY) Applicable Maximum and Minimum Rates. Notwithstanding any other provision of this Agreement, in no event shall a discounted rate billed by MEP be less than the applicable minimum rate or more than the applicable maximum rate set forth in MEP FERC Gas Tariff, as may be revised from time to time.
 - b. (NEGOTIATED RATE AGREEMENTS ONLY) Maximum and Minimum Tariff Rates. Unless otherwise expressly provided in this Agreement, the negotiated rates shall apply to service provided by MEP to Shipper for the term of the Agreement notwithstanding any otherwise applicable maximum or minimum rates set forth in MEP's FERC Gas Tariff as revised from time to time.

[FOR RATE SCHEDULE IBS]

Contract No. _____

**MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE IBS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)**

- c. (DISCOUNTED RATE AGREEMENTS ONLY) Refunds. In no event shall MEP be required to refund to Shipper any amounts collected for service to which the discounted rate(s) apply, unless the relevant discounted rate billed to Shipper exceeds the corresponding applicable effective maximum rates set forth in MEP's FERC Gas Tariff, as approved by the FERC from time to time.
- d. (NEGOTIATED RATE AGREEMENTS ONLY) Refunds. In no event shall MEP be required to refund to Shipper any amounts collected for service to which the negotiated rates apply, notwithstanding any otherwise applicable maximum or minimum rate set forth in MEP's FERC Gas Tariff, as may be revised from time to time.
- e. (NEGOTIATED RATE AGREEMENTS ONLY) Shipper and MEP understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under MEP's FERC Gas Tariff and the regulations and policies of the FERC, including without limitation any requirements for MEP to file for and receive FERC approval of the Negotiated Rates.
- f. Notifications. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this Agreement shall be in writing unless oral notification is expressly authorized herein, and shall be sent to the appropriate party at the relevant address set forth in the Agreement, as may be revised from time to time.
- g. Nonwaiver of Rights. No delay or failure to exercise any right or remedy accruing to either MEP or Shipper upon breach or default by the other will impair any right or remedy or be construed to be a waiver of any such breach or default, nor will a waiver of any single breach be deemed a waiver of any other breach or default.
- h. Succession and Assignment. Any entity which shall succeed by purchase, merger or consolidation to title to the properties, substantially as an entirety, of MEP or Shipper as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. No other assignment of this Agreement nor of any of the individual rights or obligations hereunder by Shipper shall be effective as to MEP without the prior express written consent of MEP.
- i. No Third Party Beneficiaries. This Agreement shall not create any rights in any third parties, and no provision of this Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than MEP or Shipper.

[FOR RATE SCHEDULE IBS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE IBS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)

- j. Conformance to Law. It is understood that performance hereunder shall be subject to all valid laws, orders, rules and regulations of duly constituted governmental authorities having jurisdiction or control of the matters related hereto, including without limitation the Federal Energy Regulatory Commission.
 - k. Effect of Tariff. This Agreement shall at all times be subject to all applicable provisions of MEP's FERC Gas Tariff. In the event of any conflict between this Agreement and the terms of Rate Schedule IBS, the terms of this Agreement shall govern as to the point of conflict.
 - l. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF _____, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF _____.
 - m. Entire Agreement. This Agreement contains the entire agreement between MEP and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this Agreement shall be effective unless agreed upon in a written instrument executed by MEP and Shipper which expressly refers to this Agreement.
11. The above-stated Rate Schedule, as revised from time to time, controls this Agreement and is incorporated herein. The attached Exhibit A, and Exhibit B (if applicable), is (are) a part of this Agreement. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF _____; AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT. This Agreement states the entire agreement between the parties and no waiver, representation or agreement shall affect this Agreement unless it is in writing. Shipper shall provide the actual end user purchaser name(s) to MEP if MEP must provide them to the FERC.

Agreed to by:

MIDCONTINENT EXPRESS PIPELINE LLC

SHIPPER

/s/: _____

/s/: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

MARKED TARIFF

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CURRENTLY EFFECTIVE RATES

ENOEXENABLE OKLAHOMA LEASED CAPACITY CHARGES 1/

Firm Transportation 2/

| | |
|--------------------|---------------|
| Waynoka | \$.17 |
| <u>Rose Valley</u> | <u>\$.17</u> |
| Other West Zone | \$.15 |
| East Zone | \$.09 |

Interruptible Transportation 3/

| | |
|--------------------|---------------|
| Waynoka | \$.17 |
| <u>Rose Valley</u> | <u>\$.17</u> |
| Other West Zone | \$.15 |
| East Zone | \$.09 |

Authorized Overrun 3/

| | |
|--------------------|---------------|
| Waynoka | \$.17 |
| <u>Rose Valley</u> | <u>\$.17</u> |
| Other West Zone | \$.15 |
| East Zone | \$.09 |

Fuel (Inclusive of Gas Lost and Unaccounted For) 4/ 5/

Leased Capacity Activity Charges 6/

-
- 1/ EnoexEnable Oklahoma Leased Capacity Charges are defined in Sections 1.23 and 1.24 of the General Terms and Conditions.
 - 2/ Stated rate is a daily reservation rate. Monthly reservation is calculated as contract demand volume times rate times number of days per month.
 - 3/ Rate is per Dth transported.
 - 4/ The Fuel Rate applicable to EnoexEnable Oklahoma System's Eastern and Western Zone, as stated in EnoexEnable Oklahoma's currently effective Statement of Operating Conditions, including any separately stated Gas Lost and Unaccounted For rate, if applicable. -Such rates will be posted on MEP's interactive website.
 - 5/ The Waynoka Fuel rate and the Rose Valley Fuel rate is equal to the sum of EnoexEnable Oklahoma System's Eastern and Western Zone rates as stated in EnoexEnable Oklahoma's currently effective Statement of Operating Conditions.

- 6/ These charges will be in an amount which reflects billings to MEP by ~~Enogex~~Enable Oklahoma which satisfy the definition of Leased Capacity Activity Charges as defined in Section 1.24 of the General Terms and Conditions.

GENERAL TERMS AND CONDITIONS

1.21 INTERACTIVE WEBSITE

The term "Interactive Website" shall mean the interactive internet web site maintained by MEP for communication regarding its transportation services in accordance with applicable Commission Regulations and NAESB Standards, as more fully described in Section 13 of these General Terms and Conditions.

1.22 INTERIM PERIOD SERVICE

"Interim Period Service" shall mean service provided by MEP prior to the time that all facilities certificated in Docket No. CP08-6 (except Preapproved Capacity facilities) are placed into service. Interim Period Service will terminate once all the facilities for which certificate authority has been requested in Docket No. CP08-6 (except for Preapproved Capacity facilities) have been completed and placed in service.

1.23 LEASED CAPACITY AND LEASED CAPACITY CHARGES

"Leased Capacity" shall mean the capacity in the ~~Enogex Inc.~~Enable Oklahoma Intrastate Transmission, LLC's System (~~Enogex~~"Enable Oklahoma") leased by MEP from ~~Enogex~~Enable Oklahoma. The Leased Capacity shall be treated as if it were MEP's own capacity and shall be used by MEP to provide the services set forth in the Rate Schedules and General Terms and Conditions herein. Any Shipper using the Leased Capacity shall pay incremental Leased Capacity Charges in addition to any applicable charges for Zone 1 and/or Zone 2. The Leased Capacity Charges shall represent the costs incurred by MEP under the lease with ~~Enogex~~Enable Oklahoma, including fuel and unaccounted for gas, reservation type charges for firm service and a rate per Dth for interruptible service. The Leased Capacity Charges will reflect the charges assessed by ~~Enogex~~Enable Oklahoma to MEP as they change from time to time, including any credits from ~~Enogex~~Enable Oklahoma. Service to Shippers on the Leased Capacity differs from service on the remainder of the System in the following respects:

GENERAL TERMS AND CONDITIONS

(a) Shippers are subject to different Gas quality standards for Gas receipts on the Leased Capacity (See Section 19 of these General Terms and Conditions).

(b) Shippers have different secondary point rights on Leased Capacity (See Section 2.4 of these General Terms and Conditions).

(c) Shippers have different rights to change points on the Leased Capacity (see Section 2.1(d) of these General Terms and Conditions).

(d) Shippers cannot segment Leased Capacity (see Section 6.13 of these General Terms and Conditions).

(e) Shippers pay separate Leased Capacity Charges which are designed to achieve a flow-through by MEP of charges paid ~~Enogex~~Enable Oklahoma. The Leased Capacity Charges include: Reservation Charges for firm service, a rate per Dth for interruptible service, a rate for fuel which includes unaccounted for gas, and Leased Capacity Activity Charges (as defined below). Shippers do not pay MEP's Reservation Charges, Commodity Charges, Fuel Gas Charges, Unaccounted For Gas Charges, Balancing Service Charges or other charges with respect to Leased Capacity. Notwithstanding the foregoing, a Negotiated Rate or Negotiated Rate Formula may apply to the Leased Capacity.

(f) A Releasing Shipper cannot segment Leased Capacity and the price for the release of Leased Capacity is capped at the level of the Leased Capacity Charges (See Section 14 of these General Terms and Conditions).

(g) Rights of first refusal shall apply to Leased Capacity to the extent provided in Section 16.2(a) of these General Terms and Conditions).

GENERAL TERMS AND CONDITIONS

(h) Flexible hourly take rights do not apply to the Leased Capacity (See Section 18.3 of these General Terms and Conditions). Provided, however, to the extent charges for hourly take services are incurred by MEP on behalf of its Shippers' activities on the Leased Capacity, the costs associated with such hourly take services shall be a Leased Capacity Activity Charge to be included as part of the Leased Capacity Charge.

(i) Balancing Service Charges do not apply to the Leased Capacity. See Section 10 of these General Terms and Conditions. Provided, however, to the extent charges for balancing services are incurred by MEP on behalf of its Shippers' activities on the Leased Capacity, the costs associated with such balancing services shall be Leased Capacity Activity Charges, which will be included as a Leased Capacity Charge.

1.24 LEASED CAPACITY ACTIVITY CHARGES

"Leased Capacity Activity Charges" shall mean any charges (other than reservation, commodity and fuel and including lost and unaccounted for gas charges) ~~Enogex~~Enable Oklahoma assesses MEP attributable to the activities of MEP's Shippers on the Leased Capacity, including, but not limited to, hourly take rights or balancing services.

1.25 MCF

"Mcf" shall mean one thousand (1,000) cubic feet of Gas.

1.26 MDQ

"MDQ" shall mean the maximum daily quantity of Gas which MEP is obligated to transport and deliver in the aggregate, as specified in the Agreement, except for Authorized Overrun Gas.

GENERAL TERMS AND CONDITIONS

(iii) Unless MEP elects to post the reserve price as part of the posting of an open season, MEP shall provide the reserve price or reserve price matrix to an independent third party before the posting of an open season. A bidder in an open season may request the reserve price or reserve price matrix applicable to that open season at any time after the close of the open season and MEP will provide such information to the requesting bidder within one Business Day after MEP receives the request.

(d) POINT CHANGES

Any Shipper with an FTS Agreement may request a permanent change in primary Point not involving Leased Capacity at any time. MEP will respond to such a request within two (2) Business Days. MEP shall grant such a request if firm transportation and point capacity is available to do so; provided that the parties can mutually agree on the rate unless the applicable FTS Agreement or related discount or Negotiated Rate or Negotiated Rate Formula agreement specifies the rate when there is such a permanent primary point change. Unless otherwise specifically agreed, if the Point change results in a shortened path which would reduce the applicable rate, the reservation rate applicable to the longer path shall apply for the remaining term of the Agreement, but the commodity rate applicable to the shortened path shall apply so long as the shortened path is in effect under the Agreement; provided, however, the Fuel Gas for the path utilized shall apply. Any such permanent point change shall be reflected in an amendment to the FTS Agreement. Any change in primary receipt points on the Leased Capacity is subject to the Agreement of ~~Enogex~~Enable Oklahoma and MEP.

2.2 REDUCTIONS IN FIRM SERVICES

(a) While firm services are not ordinarily interrupted due to lack of capacity, capacity constraints may exist from time to time or interruption of service may be necessary for certain other reasons. MEP may decline to schedule and/or may curtail firm service for any of the following reasons:

(1) If Shipper tenders Gas which does not conform to the applicable quality requirements under Section 19 of these General Terms and Conditions;

GENERAL TERMS AND CONDITIONS

- (2) For reasons of Force Majeure;
- (3) Pursuant to Sections 2.7 or 2.8 of these General Terms and Conditions;
- (4) To rectify imbalances, to conform physical flows to nominations or to effectuate payback of imbalances, to the extent consistent with the specific Rate Schedule;
- (5) If there is a dispute over title, ownership or right to tender or to receive Gas.

(b) Without limitation to the foregoing, unless otherwise agreed by contract, MEP shall have the right to reduce receipts or deliveries of Gas on any Day below Shipper's MDQ to permit maintenance, repair, overhaul, replacement, or construction of pipelines, compressors, metering, regulating, or other transmission facilities and equipment, or to maintain System integrity; provided, however, that with respect to routine repair and maintenance, MEP will attempt to schedule such activity during a period when it will not result in curtailment to firm services, or when such curtailment will be minimized, after consulting with the Shippers which could be affected.

(c) No later than fifteen days prior to the scheduled activity (or, in the case of Leased Capacity, no later than one day after MEP receives notification from ~~Enogex~~[Enable Oklahoma](#)), MEP will post on the Informational Postings portion of its Interactive Website a tentative schedule of planned maintenance, construction, test, rehabilitation or repair activities to be performed which MEP anticipates may cause it to fail to tender delivery of Shipper's scheduled quantities of Gas. The schedule will include the dates the activities are scheduled to begin and end as well as the portions of the System and capacity expected to be affected. MEP will endeavor to perform the activities in accordance with the posted schedule.

GENERAL TERMS AND CONDITIONS

(b) Subject to the priorities set out in Section 2.3 of the General Terms and Conditions, Shippers under Rate Schedule FTS shall have the right to use all Receipt and Delivery Points on MEP's System in either Zone 1 or Zone 2, to the extent the path of the FTS Agreement includes any part of that zone, as secondary Receipt and Delivery Points. Such points may be scheduled, however, only to the extent transmission and point capacity is available. The MDQ at any secondary point shall be equal to the MDQ for the Shipper within the zone. The priority of service at secondary points under Rate Schedule FTS shall be governed by Section 2.3 above. With respect to Leased Capacity, Shippers shall only have secondary point rights at the Points permitted under the Lease with ~~Enogex~~Enable Oklahoma and only up to the rights at such points under the Lease not utilized by Shippers with firm primary rights at these Points. The Points available are posted on MEP's Interactive Website.

(c) If nominations by all Shippers for secondary point service for which such Shippers are eligible exceed MEP's available capacity on the applicable path, available capacity shall be allocated and scheduled pro rata based on a Shipper's confirmed nominations within MDQ within the applicable priority category as defined in Section 2.3 of these General Terms and Conditions.

(d) The primary Receipt and Delivery Points define the primary path(s) of an FTS Agreement, including the direction of "forward" flow for the primary path(s), and define whether a secondary point is "in path" or "out of path." Shippers may nominate service at secondary points so that the direction of flow is the same as or the opposite ("backhaul") from the primary path direction of flow, but if the direction of flow is opposite the primary path, such nomination shall be treated as being outside the primary path.

(e) Shippers under Rate Schedule ITS have access to all Points on MEP's System to the extent provided in Section 2.5(d) of these General Terms and Conditions. Shippers under Rate Schedules PALS and IBS have access to all Points on MEP's System, except the Points on Leased Capacity, but the Points actually utilized for any specific service will be specified in the Request Order for Rate Schedule PALS and in the IBS Agreement for Rate Schedule IBS.

GENERAL TERMS AND CONDITIONS

(3) In the event MEP can provide some service under Rate Schedule IBS on any portion of its System but that its capability on any Day is insufficient to schedule all Access Requests under Rate Schedule IBS, first priority for scheduling and curtailment purposes shall be granted to Access Requests which are linked to a firm transportation Agreement (if allocation within this class is required, allocation shall be pro rata based on MDQ). If sufficient capability is available to serve some but not all Access Requests under IBS Agreements linked to interruptible transportation Agreements, service under Rate Schedule IBS shall be allocated based on the price paid under the linked interruptible transportation Agreement.

(4) Service under Rate Schedule PALS shall not be scheduled if doing so would have an adverse effect on any firm or secondary point service. Service under Rate Schedule PALS shall be scheduled and curtailed based on MEP's system operational and System operational capability. Service hereunder shall be interrupted and curtailed if continuation of such service would be detrimental to MEP's ability to provide any firm service or any secondary point service. While service hereunder is not ordinarily expected to affect transportation capacity, if providing service hereunder would have an adverse effect on providing interruptible transportation service, a PALS Agreement shall for scheduling and allocation purposes be assigned the same priority as service under Rate Schedule ITS. The same priority shall be applied for scheduling and allocation in relation to service under Rate Schedule IBS or other PALS Agreements. Once a park or loan has been scheduled on any day under Rate Schedule PALS, that park or loan shall not be interrupted or curtailed to effectuate any other interruptible service, except for secondary point service.

(d) An ITS Agreement shall specify whether it covers Zone 1, Zone 2 or both zones. An Agreement under Rate Schedule ITS will include all Receipt and all Delivery Points within the zone(s) covered. With respect to Leased Capacity, Shippers shall only have rights at the Receipt and Delivery Points permitted under the Lease with ~~Enogex~~Enable Oklahoma. Applicable maximum rates are specified in this Tariff by zone. With respect to Interim Period Service, a Shipper under an ITS Agreement will have all points on the portion of Zone 1 which is in service.

GENERAL TERMS AND CONDITIONS

Flow Order. In the event that for any Month, no penalty revenues are distributed because all Shippers failed to comply with Operational Flow Orders that Month, then the amount of penalty revenue for that Month may be held by MEP for application under Section 9.3(a) for a period of up to two (2) years, at which time that amount will be included in the amounts for distribution in the then current annual period to the extent not offset by costs under Section 9.3(a). The refunds in the prior sentence shall be calculated on a Monthly basis but distribution of the credit shall be annual. If the costs to be netted against penalty revenue exceed the penalty revenue in any Month, the excess costs may be carried forward to be applied against penalty revenue in subsequent Months. Thus, while distribution is made annually, the net penalty revenue credit shall be calculated on a Monthly basis, subject to the carry forward of costs as stated in the prior sentence. A Shipper which incurred Unauthorized Gas Charges or which failed to comply with an Operational Flow Order shall be excluded from distribution of net penalty revenues only for the Month in which that violation occurred.

(2) Where capacity has been released, any amounts distributed to the Original Shipper and the calculation and amounts distributed to the Original Shipper shall be based on the MDQ and flowing volumes of Gas for that Shipper (without considering any contracts of Replacement Shippers) during the relevant annual period; provided, however, that in the case of a permanent release, any amounts distributed hereunder with respect to the released capacity shall be distributed to the Replacement Shipper and the calculation and the amounts distributed to the Replacement Shipper shall be based on the MDQ and flowing volume for that Replacement Shipper during the relevant annual period. MEP shall file with the Commission a refund report for each annual distribution of penalty revenue under this subsection.

(c) Penalty revenue associated with the Leased Capacity Charges shall not be subject to this Section 9.3 or included in any calculation hereunder because such revenue is all passed on by MEP to ~~Enogex~~Enable Oklahoma.

GENERAL TERMS AND CONDITIONS

(c) The Monthly Index Price (MIP) is based on the applicable Average Weekly Index Price (AWIP). MEP shall use either the highest AWIP or the lowest AWIP determined for each Month as the MIP for all monthly Imbalances subject to cashout hereunder, as described below. The AWIPs to be used in determining each Month's highest AWIP and lowest AWIP shall include the AWIPs for the Seven Day Periods prior to each Monday within the calendar month in which the Imbalance occurred, plus the AWIP for the next Seven Day Period.

(1) For Gas owed MEP (Underage Imbalances), the MIP shall be the highest of the AWIPs for the applicable location indicated below for the Month in which the Imbalance occurred.

(2) For Gas owed Shipper (Overage Imbalances), the MIP shall be the lowest of the AWIPs for the applicable location indicated below for the Month in which the Imbalance occurred.

(d) Trading and cashout of imbalances shall be implemented within Operational Impact Areas (OIAs). There are four Operational Impact Areas on the MEP System. OIA-1 is defined as the Interconnection of MEP or MarkWest and ~~Enogex~~Enable Oklahoma and uses the NGPL Midcontinent Index Price. The following defines the geographical boundaries of the remaining Operational Impact Areas and the price index utilized for each area for determination of cashout prices:

GENERAL TERMS AND CONDITIONS

| <u>East of</u> | <u>West of and Including</u> | <u>Index</u> |
|--|---|------------------------|
| OIA-2 Interconnection of MEP and Enogex <u>Enable Oklahoma</u> | Interconnection of MEP and NGPL | NGPL TexOk |
| OIA-3 Interconnection of MEP and NGPL | Interconnection of MEP and Col. Gulf | Columbia Gulf Mainline |
| OIA-4 Interconnection of MEP and Col. Gulf | Interconnection of MEP and Transco | Transco Zone 4 |

(e) Following the period for netting, offsetting, buying and/or selling Imbalances, Shippers with remaining imbalances shall pay MEP or will be credited with the appropriate cashout amounts, unless otherwise agreed to in writing by MEP.

(f) In each instance when a Shipper(s) must cashout its remaining imbalances in any Operational Impact Area, MEP shall have the right to review the circumstances surrounding such remaining Imbalance and, in its judgment, waive all or a portion of the cashout amount. Any such waiver shall be granted on a non-discriminatory basis to all Shippers from whom cashout amounts were collected in that instance.

(g) The Overage Average Monthly Index Price (OAMIP) is a volume-weighted average of the applicable MIPs for the four Operational Impact Areas. For purposes of this calculation, the volume used for each Operational Impact Area shall be the net Overage Imbalance for that Operational Impact Area.

(h) The Underage Average Monthly Index Price (UAMIP) is a volume-weighted average of the applicable MIPs for the four Operational Impact Areas. For purposes of this calculation, the volume used for each Operational Impact Area shall be the net Underage Imbalance for that Operational Impact Area.

GENERAL TERMS AND CONDITIONS

16. PRE-GRANTED ABANDONMENT, CONTRACT ROLLOVERS, RIGHT OF FIRST REFUSAL AND BUY-OUTS OF EXISTING AGREEMENTS

16.1 GENERAL

Subject to Section 16.3, service performed by MEP under Part 284 of the Commission's Regulations shall expire, and shall be automatically abandoned, upon contract termination under: (a) any FTS transportation Agreement with a primary term of less than one (1) Year; and (b) any ITS, IBS or PALS Agreement regardless of term. Service under any FTS transportation Agreement with a term of one (1) Year or greater shall expire, and shall be automatically abandoned, on contract termination unless service is continued pursuant to Sections 16.2 or 16.3. Rights under this Section 16 shall not be available to the extent provided in Section 2.1(b)(7) of these General Terms and Conditions (relating to limited time period contracts). The right of first refusal under Section 16.2 hereof shall apply to Leased Capacity to the extent provided in such section. In addition, contractual rollovers under Section 16.3 hereof may apply to Leased Capacity.

16.2 RIGHT OF FIRST REFUSAL

(a) Any Shipper under a firm service Agreement with a term of one (1) Year or greater (including Leased Capacity) (unless otherwise agreed) and with a rate equal to the applicable maximum rate shall have the right to continue receiving service after the expiration of its existing Agreement to the extent consistent with this Section 16.2; provided however, that with respect to Leased Capacity, Shipper shall only be entitled to continue receiving service on the Leased Capacity pursuant to this section through the then remaining term of the ~~Enogex~~Enable Oklahoma Lease. The prior sentence shall (unless otherwise agreed) include any such firm Agreement which incorporates a Negotiated Rate or Negotiated Rate Formula if (unless otherwise agreed) the revenue under such an Agreement equals or exceeds the revenue at the applicable maximum rate. MEP shall set out in the posting described in subsection 16.2(b) below the forms of bids which may be submitted in the Right of First Refusal. Bids may always be submitted in the rate form underlying the applicable maximum rate. Bids in the form of a Negotiated Rate or Negotiated Rate Formula may only be submitted if permitted in the posting. A match by the existing Shipper must be made in a bid form permitted under the posting. MEP shall not be required to provide service under the Right of First Refusal procedure at a

GENERAL TERMS AND CONDITIONS

(9) shall have a combined composition of not more than one and one-half (1.5) mole percentage of butane plus, including isobutene, normal butane and all heavier hydrocarbons (C4+);

(10) shall have a combined composition of total inert gases (principally nitrogen and carbon dioxide) of not more than four (4) mole percent; and

(11) shall have a Wobbe Index of not greater than 1400, calculated using Higher Heating Value (HHV), dry, based on the following mathematical definition:

$$\text{HHV} / (\text{Sqrt} (\text{SG}_{\text{gas}}))$$

Where:

HHV = Higher Heating Value (Btu/scf)

SG_{gas} = Specific Gravity

Sqrt = Square Root of

(b) MEP may, from time to time, as operationally necessary, establish and post on the Informational Postings portion of its Interactive Website an upper limit on the dew point for receipts on specified segments or other specified locations on its System (other than Leased Capacity) to prevent hydrocarbon fallout, or to assure that Gas will be accepted for delivery into downstream entities. MEP will include in such posting the anticipated duration of the limitation. MEP will provide as much prior notice as reasonably practicable and will attempt to provide in the posting at least ten (10) Business Days prior notice before the limitation becomes effective. If such prior notice is not practicable, MEP will explain the reason in the posting why it was unable to give such prior notice. Upon request, MEP will provide current information regarding the dew point at any point of receipt into MEP's System affected by the posting to the operator of that point or any producer, purchaser, supply aggregator or Shipper with Gas being tendered at that point. MEP shall not post, under this section, a cricondentherm dew point temperature of less than fifteen degrees Fahrenheit (15 degrees F).

(c) With respect to Leased Capacity, Gas received on the Leased Capacity must meet the Gas quality standards established by ~~Enogex~~[Enable Oklahoma](#). MEP will post on its Interactive Website the Gas quality standards in effect for the Leased Capacity.

GENERAL TERMS AND CONDITIONS

30.2 AWARD OF FIRM CAPACITY

To the extent the revenue level pursuant to the Negotiated Rate(s) or Negotiated Rate Formula provided for in Section 30.1 above should equal or exceed the revenue level at the Recourse Rate, the Shipper paying such Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula shall be treated, for capacity award purposes, as if the rate(s) paid had been equal to the Recourse Rate. Any Shipper, existing or new, paying the Recourse Rate(s) has the same right to capacity for capacity award purposes as a Shipper willing to pay an equal or higher Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula. If the Negotiated Rate or the rate under a Negotiated Rate Formula are always higher than the corresponding Recourse Rate, the Recourse Rate rather than the Negotiated Rate will be used as the price cap for the Right of First Refusal pursuant to Section 16.2 of these General Terms and Conditions. Where the Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula results in revenue which is greater than the Recourse Rate during certain portions of the relevant evaluation period but less than the revenue at the Recourse Rate during other portions of the relevant evaluation period (but the revenue pursuant to the Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula equals or exceeds that which would be generated at the Recourse Rate for the entire evaluation period), the value of bids and requests at the Negotiated Rate(s) or rate(s) under a Negotiated Rate Formula for capacity award purposes shall be evaluated as though the Recourse Rate applied under such bid or request for the entire evaluation period. Where the Negotiated Rate(s) or rate(s) under the Negotiated Rate Formula result in revenue which is less than revenue at the Recourse Rate over the relevant evaluation period, the value of the bids or requests at the Negotiated Rate(s) or rate(s) under the Negotiated Rate Formula for capacity award purposes shall be evaluated based on such lower revenue and shall be afforded a correspondingly lower priority in a capacity award procedure than bids or requests at the Recourse Rate. In applying this Section 30.2, revenue associated with the Leased Capacity Charges, which passed through to ~~Enogex~~Enable Oklahoma, will not be considered.

30.3 ACCOUNTING FOR COSTS AND REVENUES

The allocation of costs to and the recording of revenues from service at Negotiated Rate(s) or under a Negotiated Rate Formula will follow MEP's normal practices associated with all of its services under this Tariff. MEP will maintain separate records of Negotiated Rate and Negotiated Rate Formula transactions for each billing period.

GENERAL TERMS AND CONDITIONS

36.7 PERIODIC RATE ADJUSTMENT FOR THE LEASED CAPACITY
FUEL GAS PERCENTAGE:

(a) The Leased Capacity Fuel Gas Percentage reflects the charges assessed by ~~Enogex~~Enable Oklahoma to MEP for fuel gas and lost and unaccounted for gas, as such charges are on file with the Commission, and may be revised from time to time. The initial Leased Capacity Fuel Gas Percentage shall be the currently effective charges for fuel gas and lost and unaccounted for gas applicable to the Leased Capacity that ~~Enogex~~Enable Oklahoma has on file with the Commission to be effective on the Initial Effective Date. These percentages shall be redetermined in accordance with Section (b) hereof.

(b) MEP will adjust the Leased Capacity Fuel Gas Percentage on a periodic basis, consistent with the timing of FERC filings made by ~~Enogex~~Enable Oklahoma, pursuant to its Statement of Operating Conditions, revising the fuel gas percentages applicable to ~~Enogex~~Enable Oklahoma's system. The fuel percentages on ~~Enogex~~Enable Oklahoma's system include a component for lost and unaccounted for gas. The adjustments to the Leased Capacity Fuel Gas Percentage will reflect the fuel gas percentage ~~Enogex~~Enable Oklahoma has on file with the Commission applicable to the Leased Capacity and will be posted on MEP's interactive website. MEP will maintain a deferred account to account for any differences, should they occur, between ~~Enogex~~Enable Oklahoma's fuel charges and MEP's collections of same from its Shippers.

[FOR RATE SCHEDULES FTS AND ITS]

Contract No. _____

**MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
TRANSPORTATION RATE SCHEDULE _____
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)**

- 1. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT SHALL BE ~~GOVERNED~~ BY THE LAWS OF THE STATE OF ~~_____~~, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF ~~_____~~.
- m. Entire Agreement. This Agreement contains the entire agreement between MEP and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this Agreement shall be effective unless agreed upon in a written instrument executed by MEP and Shipper which expressly refers to this Agreement.
- 9. The above-stated Rate Schedule, as revised from time to time, controls this Agreement and is incorporated herein. The attached Exhibits A and B (for firm service only), and C (if applicable), are a part of this Agreement. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF _____, AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT. This Agreement states the entire agreement between the parties and no waiver, representation or agreement shall affect this Agreement unless it is in writing. Shipper shall provide the actual end user purchaser name(s) to MEP if MEP must provide them to the FERC.

Agreed to by:

MEP

SHIPPER

/s/ _____
NAME: _____
TITLE: _____

/s/ _____
NAME: _____
TITLE: _____

[FOR RATE SCHEDULE PALS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE PALS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS

1. SHIPPER is: _____ a _____
2. Maximum Aggregate Quantity (Dth) _____ (On any Day, the total of all MAQ ROs can never exceed this quantity).
3. Maximum Daily Quantity (Dth) _____ (~~On~~ On any Day, the total of all MDQ ROs can never exceed this quantity).
4. TERM: _____ through _____
[Specify contractual rollover-rights or seasonal or other variable term rights, if any] and month to month thereafter until terminated by prior written notice by either party. Termination shall not discharge any obligation accrued hereunder.
5. Service will be ON BEHALF OF:

Shipper or
Other: _____ a _____
6. The ULTIMATE END USERS are (check one):

_____ customers of the following LDC/pipeline company(ies): _____;
_____ customers in these states: _____; or
_____ customers within any state in the continental U.S.
7. _____ This Agreement supersedes and cancels a _____ Agreement dated _____
_____ Capacity rights for this Agreement were released from _____
_____ [for firm service only] Service and reservation charges commence the later of:
(a) _____ and
(b) the date capacity to provide the service hereunder is available on MEP's System.
Other: _____
8. SHIPPER'S ADDRESSES

MEP'S ADDRESSES

9. PALS Request Order. The form of the PALS Request Order attached hereto or such other mutually agreeable form, when executed by the parties shall evidence their agreement as to the terms of the particular transaction for the Park and Loan Service pursuant to this Agreement, including the quantity, rate, Receipt and Delivery Points for parking and lending and the term. The PALS Request Order may specify a range for the quantity and term of a Park and Loan. A single PALS Request Order may cover both a park and loan within limits specified.

[FOR RATE SCHEDULE PALS]

Contract No. _____

**MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE PALS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)**

15. Any or all of the following provisions may be included (where applicable) in the PALS Agreement and/or in any related Negotiated Rate, Negotiated Rate Formula or discount contracts, if any:
- a. **(DISCOUNTED RATE AGREEMENTS ONLY)** Applicable Maximum and Minimum Tariff Rates. Notwithstanding any other provision of this Agreement, in no event shall a discounted rate billed by MEP be less than the applicable minimum rate or more than the applicable maximum rate set forth in MEP's FERC Gas Tariff, as may be revised from time to time.
 - b. **(NEGOTIATED RATE AGREEMENTS ONLY)** Applicable Maximum and Minimum Tariff Rates. Unless otherwise expressly provided in this Agreement, the Negotiated Rates or rates under a Negotiated Rate Formula shall apply to service provided by MEP to Shipper for the term of the Agreement notwithstanding any otherwise applicable maximum or minimum rates set forth in MEP's FERC Gas Tariff as may be revised from time to time.
 - c. **Notifications.** Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this Agreement shall be in writing unless oral notification is expressly authorized herein, and shall be sent to the appropriate party at the relevant address set forth in the Transportation Agreement, as may be revised from time to time.
 - d. **(DISCOUNTED RATE AGREEMENTS ONLY) Refunds.** In no event shall MEP be required to refund to Shipper any amounts collected for service to which the discounted rate(s) apply, unless the relevant discounted rate billed to Shipper exceeds the corresponding applicable effective maximum rates set forth in MEP's FERC Gas Tariff, as approved by the FERC from time to time.
 - e. **(NEGOTIATED RATE AGREEMENTS ONLY) Refunds.** In no event shall MEP be required to refund to Shipper any amounts collected for service to which the Negotiated Rates or rates under a Negotiated Rate Formula apply, notwithstanding any otherwise applicable maximum or minimum rate set forth in MEP's FERC Gas Tariff, as may be revised from time to time.
 - f. **(NEGOTIATED RATE AGREEMENTS ONLY)** Shipper and MEP understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under MEP's FERC Gas Tariff and the regulations and policies of the FERC, including without limitation any requirements for MEP to file for and receive FERC approval of the Negotiated Rates.
 - g. **Nonwaiver of Rights.** No delay or failure to exercise any right or remedy accruing to either MEP or Shipper upon breach or default by the other will impair any right or remedy or be construed to be a waiver of any such breach or default, nor will a waiver of any single breach be deemed a waiver of any other breach or default.

[FOR RATE SCHEDULE PALS]

Contract No. _____

**MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE PALS
AGREEMENT DATED _____ OF PART 284
UNDER SUBPART _____ OF THE FERC'S REGULATIONS (CON'T)**

- h. Succession and Assignment. In the event any entity succeeds by purchase, merger or consolidation of title to the properties, substantially as an entirety, of Shipper, such entity shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under the Agreement. No other assignment of the Agreement nor of any of the individual rights or obligations hereunder by Shipper shall be effective as to MEP without the prior express written consent of MEP. The Agreement may be assigned by MEP to a wholly or partially owned affiliate, special purpose joint venture, partnership, or other affiliated entity, including a parent company or partnership, which shall include Kinder Morgan Energy Partners, LP or any affiliate of Kinder Morgan Energy Partners, LP.).
 - i. No Third Party Beneficiaries. This Agreement shall not create any rights in any third parties, and no provision of this Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than MEP or Shipper.
 - j. Conformance to Law. It is understood that performance hereunder shall be subject to all valid laws, orders, rules and regulations of duly constituted governmental authorities having jurisdiction or control of the matters related hereto, including without limitation the Federal Energy Regulatory Commission.
 - k. Effect of Tariff. This Agreement shall at all times be subject to all applicable provisions of MEP's FERC Gas Tariff. In the event of any conflict between this Agreement and the terms of Rate Schedule PALS, the terms of this Agreement shall govern as to the point of conflict.
 - l. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF _____, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF _____.
 - m. Entire Agreement. This Agreement contains the entire agreement between MEP and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this Agreement shall be effective unless agreed upon in a written instrument executed by MEP and Shipper which expressly refers to this Agreement.
16. Rate Schedule PALS, as revised from time to time, controls this Agreement and is incorporated herein. The attached Exhibit A is a part of this Agreement. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF _____ AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT. This Agreement states the entire agreement between the parties and no waiver, representation or agreement shall affect this Agreement unless it is in writing. Shipper shall provide the actual end user purchaser name(s) to MEP if MEP must provide them to the FERC.

Agreed to by:

MEP

SHIPPER

/s/: _____
NAME: _____
TITLE: _____

/s/: _____
NAME: _____
TITLE: _____

Request Order RO No.: _____

PALS REQUEST ORDER FORM
DATED _____

Shipper: _____ Type of Service: Park _____ Loan _____

Initiation Point Name(s) and PIN(s): _____ MAQ RO: _____ (Dth)

Completion Point Name(s) and PIN(s): _____ Minimum Aggregate Quantity: _____

Term: Start _____ End _____ PALS Agreement #: _____

Schedule:

| Date(s) Service to be Provided (May Reflect a Range of Dates) | | Daily Quantity (Dth) (May Reflect a Range of Volumes) | | | |
|--|---------|--|---------|-----------------------|---------|
| From | Through | Park or Loan Payback | | Loan or Park Delivery | |
| | | Minimum | Maximum | Minimum | Maximum |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |

Rates: Rates may vary based on volume, time period, etc., as set out in the ~~a~~-Service Agreement

Daily PALS Usage Charge:* _____.

Service will be ON BEHALF OF:

____ Shipper or
 ____ Other: _____ a _____

SHIPPER'S CONTACT AND ADDRESS

Phone: _____ Fax: _____

Other Conditions (if any): _____

Agreed to by:

MIDCONTINENT EXPRESS PIPELINE LLC

SHIPPER

/s/: _____
 NAME: _____
 TITLE: _____

/s/: _____
 NAME: _____
 TITLE: _____

* The rate shall be the applicable maximum rate and other applicable maximum lawful charges except as otherwise provided specified in writing, which agreement must be consistent with Section 34 or 30 of the General Terms and Conditions of this Tariff (relating to Discounting and Negotiated Rates respectively).

[FOR RATE SCHEDULE IBS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE IBS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS

1. SHIPPER is: - _____ a _____
- a. If Shipper is affiliated with MEP, check here
2. Linked Transportation Agreement: _____
3. IBS MDQ: _____ Dth per day ± _____
4. Identification of End-Use Facility or Facilities _____
5. TERM: _____ through _____
provided, however, that this Agreement shall terminate if the linked transportation Agreement is no longer in effect for any reason and the parties have not entered into or designated a substitute linked transportation Agreement. Further, service hereunder shall be suspended if the linked transportation Agreement is released and the parties have not entered into or designated substitute linked transportation; provided, however, that if the release is partial, service hereunder shall be suspended only partially, to the extent of the partial release. -[Specify any contractual rollover rights and seasonal or other variable term rights, if any-].
6. Service will be on BEHALF OF (where applicable):
____ Shipper or
____ Other: _____, a _____
7. The ULTIMATE END USERS are (check one):
____ customers of the following LDC/pipeline company(ies): _____;
____ customers in these states: _____; or
____ customers within any state in the continental U.S.
8. ____ This Agreement supersedes and cancels a ____ Agreement dated _____
9. SHIPPER'S ADDRESSES

- MEP'S ADDRESSES

10. Any or all of the following provisions may be included (where applicable) in related negotiated rate or discount contracts, if any:
- a. (DISCOUNTED RATE AGREEMENTS ONLY) Applicable Maximum and Minimum Rates. Notwithstanding any other provision of this Agreement, in no event shall a discounted rate billed by MEP be less than the applicable minimum rate or more than the applicable maximum rate set forth in MEP FERC Gas Tariff, as may be revised from time to time.
 - b. (NEGOTIATED RATE AGREEMENTS ONLY) Maximum and Minimum Tariff Rates. Unless otherwise expressly provided in this Agreement, the negotiated rates shall apply to service provided by MEP to Shipper for the term of the Agreement notwithstanding any otherwise applicable maximum or minimum rates set forth in MEP's FERC Gas Tariff as revised from time to time.

[FOR RATE SCHEDULE IBS]

Contract No. _____

**MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE IBS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)**

- c. (DISCOUNTED RATE AGREEMENTS ONLY) Refunds. In no event shall MEP be required to refund to Shipper any amounts collected for service to which the discounted rate(s) apply, unless the relevant discounted rate billed to Shipper exceeds the corresponding applicable effective maximum rates set forth in MEP's FERC Gas Tariff, as approved by the FERC from time to time.
- d. (NEGOTIATED RATE AGREEMENTS ONLY) Refunds. In no event shall MEP be required to refund to Shipper any amounts collected for service to which the negotiated rates apply, notwithstanding any otherwise applicable maximum or minimum rate set forth in MEP's FERC Gas Tariff, as may be revised from time to time.
- e. (NEGOTIATED RATE AGREEMENTS ONLY) Shipper and MEP understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under MEP's FERC Gas Tariff and the regulations and policies of the FERC, including without limitation any requirements for MEP to file for and receive FERC approval of the Negotiated Rates.
- f. Notifications. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this Agreement shall be in writing unless oral notification is expressly authorized herein, and shall be sent to the appropriate party at the relevant address set forth in the Agreement, as may be revised from time to time.
- g. Nonwaiver of Rights. No delay or failure to exercise any right or remedy accruing to either ~~Natural~~MEP or Shipper upon breach or default by the other will impair any right or remedy or be construed to be a waiver of any such breach or default, not will a waiver of any single breach be deemed a waiver of any other breach or default.
- h. Succession and Assignment. Any entity which shall succeed by purchase, merger or consolidation to title to the properties, substantially as an entirety, of MEP or Shipper as the case may -be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. No other assignment of this Agreement nor of any of the individual rights or obligations hereunder by Shipper shall be effective as to MEP without the prior express written consent of MEP.
- i. No Third Party Beneficiaries. This Agreement shall not create any rights in any third parties, and no provision of this Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than MEP or Shipper.

[FOR RATE SCHEDULE IBS]

Contract No. _____

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)
RATE SCHEDULE IBS
AGREEMENT DATED _____
UNDER SUBPART _____ OF PART 284
OF THE FERC'S REGULATIONS (CON'T)

- j. Conformance to Law. It is understood that performance hereunder shall be subject to all valid laws, orders, rules and regulations of duly constituted governmental authorities having jurisdiction or control of the matters related hereto, including without limitation the Federal Energy Regulatory Commission.
- k. Effect of Tariff. This Agreement shall at all times be subject to all applicable provisions of MEP's FERC Gas Tariff. In the event of any conflict between this Agreement and the terms of Rate Schedule IBS, the terms of this Agreement shall govern as to the point of conflict.
- l. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF _____, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF _____
- m. Entire Agreement. This Agreement contains the entire agreement between MEP and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this Agreement shall be effective unless agreed upon in a written instrument executed by MEP and Shipper which expressly refers to this Agreement.

11. The above-stated Rate Schedule, as revised from time to time, controls this Agreement and is incorporated herein. The attached Exhibit A, and Exhibit B (if applicable), is (are) a part of this Agreement. THIS AGREEMENT SHALL BE CONSTRUED AND GOVERNED BY THE LAWS OF _____; AND NO STATE LAW SHALL APPLY TO REACH A DIFFERENT RESULT. This Agreement states the entire agreement between the parties and no waiver, representation or agreement shall affect this Agreement unless it is in writing. Shipper shall provide the actual end user purchaser name(s) to MEP if MEP must provide them to the FERC.

Agreed to by:

MIDCONTINENT EXPRESS PIPELINE LLC

SHIPPER

/s/: _____

/s/: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____