

# MIDCONTINENT EXPRESS PIPELINE LLC

November 7, 2018

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

Re: Midcontinent Express Pipeline LLC  
Negotiated Rate Filings – Aethon and 1849 Energy  
Docket No. RP19-

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 with the Commission to reflect the termination of a conforming negotiated rate Transportation Rate Schedule FTS agreement between MEP and Aethon United BR LP (“Aethon”) and the addition of a conforming negotiated rate Transportation Rate Schedule FTS Agreement between MEP and 1849 Energy Partners, LLC (“1849 Energy”). Accordingly, MEP hereby submits for filing, as part of its First Revised Volume No. 1 FERC Gas Tariff (“Volume No. 1”) and its Original Volume No. 2 Tariff (“Volume No. 2”) the following tariff records proposed to be effective November 2, 2018:

First Revised Volume No. 1  
Third Revised Sheet No. 29

Original Volume No. 2  
Part 2.1      Version 5.0.0

Pursuant to Docket No. RP09-136-000, MEP has authority to negotiate rates in accordance with the Commission’s Policy Statement on the Alternatives to Traditional Cost of Service Ratemaking for Natural Gas Pipelines, issued January 31, 1996 in Docket No. RM95-6-000.<sup>1</sup>

## **Statement of Nature, Reasons and Basis**

The purpose of this filing is to reflect the permanent release of 30,000 Dth of capacity from Aethon to 1849 Energy to be effective November 2, 2018. These changes are reflected in Volume No. 1 in Third Revised Sheet No. 29 (Statement of Negotiated Rate Transactions). The 1849 Energy Agreement is being submitted in this filing in order to follow MEP’s current

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<sup>1</sup> 74 FERC ¶ 61,076 (1996).

practice of filing all negotiated rate agreements with the FERC as part of its Volume No. 2. The 1849 Energy Agreement does not deviate in any material respect from the form of service agreement in MEP's FERC Gas Tariff.

MEP asks the Commission to accept this tariff filing and permit the proposed tariff records and 1849 Energy Agreement to become effective November 2, 2018.

### **Procedural Matters**

MEP respectfully requests waiver of 18 C.F.R. Part 154.207 and any other waivers of the Commission's regulations, to the extent necessary, to permit the proposed tariff records in Volume No. 1 and Volume No. 2 to become effective November 2, 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. Clean version of the tendered tariff records in PDF format in Appendix A, and
3. Marked redlined version of the tendered tariff records in PDF format in Appendix B.

### **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:

Karen Z. Ferazzi, Esq.  
General Counsel, Asst.  
Midcontinent Express Pipeline LLC  
1001 Louisiana St., Suite 1000  
Houston, TX 77002  
(713) 369-9354  
[karen\\_ferazzi@kindermorgan.com](mailto:karen_ferazzi@kindermorgan.com)

T. Brooks Henderson  
Director, Rates & Regulatory  
Midcontinent Express Pipeline LLC  
569 Brookwood Village, Suite 749  
Birmingham, AL 35209  
(205) 325-3843  
[brooks\\_henderson@kindermorgan.com](mailto:brooks_henderson@kindermorgan.com)

MEP also requests that copies be sent to:

Michael T. Langston  
VP & Chief Regulatory Officer  
Energy Transfer Partners, L.P.  
1300 Main St.  
Houston, TX 77002  
(713) 989-7610  
[michael.langston@energytransfer.com](mailto:michael.langston@energytransfer.com)

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 7th day of November, 2018.

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

APPENDIX A

Midcontinent Express Pipeline LLC

Tendered Tariff Records  
To Be Effective November 2, 2018

First Revised Volume No. 1

Third Revised Sheet No. 29

Original Volume No. 2

Part 2.1    Version 5.0.0

**STATEMENT OF NEGOTIATED RATE TRANSACTIONS  
PURSUANT TO SECTION 30**

<u>Shipper Name</u>	<u>Rate Schedule</u>	<u>Term of Contract</u>	<u>Volume (Dth/d)</u>	<u>Reservation Charge</u>	<u>Commodity Charge(s)</u>	<u>Primary Receipt Point(s) / PIN No(s).</u>	<u>Primary Delivery Point(s) / PIN No(s).</u>
1849 Energy Partners, LLC 1/	FTS	11/02/2018 through 07/31/2019	30,000	2/	2/	2/	2/

1/ The Transportation Rate Schedule FTS Agreement does not deviate in any material respect from the applicable form of service agreement in MEP's FERC Gas Tariff.

2/ This information is set out in the executed Transportation Rate Schedule FTS Agreement and corresponding Negotiated Rate Exhibit, which are currently on file with the FERC.

Contract No. 215014-FTSMEP

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED November 1, 2018  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS

1. SHIPPER is: 1849 ENERGY PARTNERS, LLC a OPER
2. MDQ totals: 30,000 Dth per Day. (Specify any seasonal and/or variable terms and quantities).
3. TERM: November 2, 2018 through July 31, 2019.
4. Service will be ON BEHALF OF:  
 Shipper or  
 Other: a \_\_\_\_\_
5. 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.
6.  This Agreement supersedes and cancels a \_\_\_\_\_ Agreement dated \_\_\_\_\_  
customers in these states: \_\_\_\_\_; or  
 [for firm service only] Service and reservation charges commence the later of:  
 (a) November 2, 2018, and  
 (b) the date capacity to provide the service hereunder is available on MEP's System.  
 Other:

7. SHIPPER'S ADDRESSES

1849 ENERGY PARTNERS, LLC  
Aaron Thesman  
6000 Western Place, Suite 730  
Fort Worth, TX 76107

MEP'S ADDRESSES

MIDCONTINENT EXPRESS PIPELINE LLC  
ATTENTION: ACCOUNT SERVICES  
1001 LOUISIANA STREET  
SUITE 1000  
HOUSTON, TEXAS 77002

Payments:

FOR WIRE TRANSFER:  
MIDCONTINENT EXPRESS PIPELINE LLC  
JPMORGAN CHASE NEW YORK, NY 10004  
ABA # 021 000 021  
ACCOUNT # 216 872 553

Contract No. 215014-FTSMEP

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED November 1, 2018  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS (CON'T)

8. 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:
- 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. (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 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.
  - 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 Transportation Agreement, as may be revised from time to time.



Contract No. 215014-FTSMEP

**MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED November 1, 2018  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS (CON'T)**

- 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.** 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 FTS and ITS, 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 TEXAS, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF TEXAS.**

Contract No. 215014-FTSMEP

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED November 1, 2018  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS (CON'T)

- 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
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 TEXAS, 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  
MEP

1849 ENERGY PARTNERS, LLC  
SHIPPER

/s/: \_\_\_\_\_

/s/: \_\_\_\_\_

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Janice H. Parker  
Vice President, Commercial

TITLE: \_\_\_\_\_

EXHIBIT A  
DATED November 1, 2018  
EFFECTIVE DATE November 2, 2018

Company: 1849 ENERGY PARTNERS, LLC

Contract No.: 215014-FTSMEP

Receipt Point(s):  
[FTS Only]

<u>Name/Location</u>	<u>County Area</u>	<u>State</u>	<u>PIN No.</u>	<u>MDQ (Dth) 1/</u>
PRIMARY RECEIPT POINT(S):				
1. HPL/MEP LAMAR	LAMAR	TX	44440	30000

SECONDARY RECEIPT POINT(S):

All secondary receipt points, and the related priorities and volumes, as provided under the Tariff provisions governing this Agreement.

Receipt Pressure, Assumed Atmospheric Pressure

Gas to be delivered to MEP at the Receipt Point(s) shall be at the pressure prevailing on MEP's System at that point, but shall not in excess of the Maximum Allowable Operating Pressure (MAOP) stated for each Receipt Point in MEP's Catalog of Points. The measuring party shall use or cause to be used an assumed atmospheric pressure corresponding to the elevation at such Receipt Point(s).

Rates

The rates shall be the applicable maximum rate and other applicable lawful charges except as otherwise provided in a separate written agreement. Such agreement shall be consistent with Section 34 or 30 of this Tariff (relating to discounts and to negotiated rates, respectively).

Fuel Gas and Unaccounted For Gas Percentages (%)

Shipper will be assessed the applicable percentages for Fuel Gas, for Booster Compression fuel and for Unaccounted For Gas unless MEP and Shipper mutually agree on monetary reimbursement.

1/ (Specify monthly variations if applicable)

EXHIBIT B  
DATED November 1, 2018  
EFFECTIVE DATE November 2, 2018

Company: 1849 ENERGY PARTNERS, LLC

Contract No.: 215014-FTSMEP

Delivery Point(s):  
[FTS Only]

<u>Name/Location</u>	<u>County/Parish Area</u>	<u>State</u>	<u>PIN No.</u>	<u>MDQ (Dth) 1/</u>
PRIMARY DELIVERY POINT(S):				
1. TRNSCO/MEP DEL CHOCTAW	CHOCTAW	AL	44451	30000

SECONDARY DELIVERY POINT(S):

All secondary delivery points, and the related priorities and volumes, as provided under the Tariff provisions governing this Agreement.

Delivery Pressure, Assumed Atmospheric Pressure

Gas to be delivered by MEP to Shipper, or for Shipper's account, at the Delivery Point(s) shall be at the pressures available in MEP's pipeline facilities from time to time. The measuring party shall use or cause to be used an assumed atmospheric pressure corresponding to the elevation at such Delivery Point(s).

1/ (Specify monthly variations if applicable)

EXHIBIT C  
DATED: November 1, 2018  
EFFECTIVE DATE: November 2, 2018

MIDCONTINENT EXPRESS PIPELINE LLC

NEGOTIATED RATE AGREEMENT

COMPANY: 1849 ENERGY PARTNERS, LLC  
CONTRACT: 215014 -FTSMEP

ARTICLE 1.  
NEGOTIATED RATE PARAMETERS

1.1 Negotiated Rate Term: From November 2, 2018 through July 31, 2019.

1.2 Negotiated Rates:

- (a) Negotiated Monthly Base Reservation Rate for Zone 1: \$7.6042/Dth of MDQ, and
- (b) Negotiated Monthly Base Reservation Rate for Zone 2: \$5.1708/Dth of MDQ, and
- (c) Negotiated Base Commodity Rate: \$0.00/Dth of MDQ.

1.3 Eligible Firm Transportation Quantity:

Thirty Thousand (30,000) Dth per day in Zone 1; and  
Thirty Thousand (30,000) Dth per day in Zone 2.

1.4 Eligible Primary Receipt Points:

<u>NAME</u>	<u>PIN</u>	<u>Eligible Point (MDQ (Dth/day))</u>
HPL/MEP Lamar	44440	30,000

1.5 Eligible Secondary Receipt Points. The Negotiated Rates shall apply to service provided from all secondary receipt points in Zone 1 and Zone 2 (as such Zones are defined in the General Terms and Conditions of MEP's Tariff)

1.6 Eligible Primary Delivery Points:

<u>NAME</u>	<u>PIN</u>	<u>Eligible Point (MDQ (Dth/day))</u>
Transco/MEP Del Choctaw	44451	30,000

1.7 Eligible Secondary Delivery Points. The Negotiated Rates shall apply to service provided to all secondary delivery points in Zone 1 and Zone 2 (as such Zones are defined in the General Terms and Conditions of MEP's Tariff)

ARTICLE 2  
NEGOTIATED RATE TERMS AND CONDITIONS; ADDITIONAL CHARGES

2.1 General Negotiated Rate Limitations. The Negotiated Rates set forth in this Exhibit C shall apply only to: (i) service provided to Shipper by MEP under the Transportation Agreement from the Eligible Receipt Points to the Eligible Delivery Points during the Negotiated Rate Term and (ii) an aggregate maximum daily firm transportation quantity equal to the Eligible Firm Transportation Quantity set forth in Article 1.3 above, for all quantities transported on a firm basis under the Transportation Agreement and any associated capacity release replacement agreements. For any aggregate quantities transported on a firm basis on any day for Shipper and any associated capacity release replacement shippers which: (i) are in excess of the applicable Eligible Firm Transportation Quantity; or (ii) involve any receipt or delivery points which are not Eligible Receipt or Delivery Points, Shipper shall be charged the greater of: (a) the 100% load factor daily rate equivalent of the Shipper's applicable Negotiated Rate for Zone 1 and/or Zone 2, and (b) the 100% load factor daily rate equivalent of the applicable maximum base reservation and base commodity rates set forth in the Tariff, as well as all applicable additional rates, charges and surcharges described in Article 2.3 below.

2.2 Discountable Third Party Surcharges. From time to time, certain reservation and/or commodity surcharges may be approved by the FERC for inclusion in MEP's FERC Gas Tariff which MEP is: (i) required to collect from Shipper and remit to the FERC or to another third party; and (ii) permitted to discount the amount of such surcharge from the applicable maximum rate set forth in MEP's FERC Gas Tariff ("Discountable Third Party Surcharges"). MEP shall discount any particular Discountable Third Party Surcharge to the maximum extent permitted under the provisions of MEP's FERC Gas Tariff. Shipper shall only be responsible for payment to MEP of any portion of such Discountable Third Party Surcharge which MEP is not permitted to discount and for which MEP bills Shipper. There are no applicable Discountable Third Party Surcharges; provided, however, to the extent any Discountable Third Party Surcharge is approved by the FERC for inclusion in MEP Tariff during the term hereof, MEP shall discount such Discountable Third Party Surcharge(s) to the maximum extent permitted under the provisions of its FERC Gas Tariff but not below the amount of such Discountable Third Party Surcharge(s) that MEP is required to remit. Accordingly, Shipper shall be responsible for and pay to MEP the amount attributable to such Discountable Third Party Surcharge(s) which MEP is responsible for paying and remitting to the FERC and/or third party.

2.3 Additional Rates, Charges, and Surcharges. Unless otherwise expressly provided in this Agreement or agreed to in writing by MEP, Shipper shall also pay MEP all other applicable maximum rates, charges, surcharges, and penalties of any nature set forth in the Tariff, including without limitation all applicable (i) Fuel, booster fuel, and Gas Lost and Unaccounted For charges; (ii) maximum authorized and unauthorized overrun charges; (iii) maximum reservation charges and surcharges; (iv) maximum commodity charges and surcharges; and (v) applicable maximum ACA surcharges.

## APPENDIX B

Marked Redlined Version of Tendered Tariff Records

**STATEMENT OF NEGOTIATED RATE TRANSACTIONS  
 PURSUANT TO SECTION 30**

<u>Shipper Name</u>	<u>Rate Schedule</u>	<u>Term of Contract</u>	<u>Volume (Dth/d)</u>	<u>Reservation Charge</u>	<u>Commodity Charge(s)</u>	<u>Primary Receipt Point(s) / PIN No(s).</u>	<u>Primary Delivery Point(s) / PIN No(s).</u>
<del>Aethon United BR LP</del> <u>1849 Energy Partners, LLC</u>	1/ 2/	1/ 2/ through 07/31/2019	2/ - - - - -	FTS	11/ <del>01</del> <u>02/2016</u> <del>2018</del>	30,000	2/

1/ The Transportation Rate Schedule FTS Agreement does not deviate in any material respect from the applicable form of service agreement in MEP's FERC Gas Tariff.

2/ This information is set out in the executed Transportation Rate Schedule FTS Agreement and corresponding Negotiated Rate Exhibit, which are currently on file with the FERC.



Contract No. 212545-FTSMEP

~~MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED October 28, 2016  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS~~

1. ~~SHIPPER is: AETHON UNITED BR LP a PRODUCER~~
2. ~~MDQ totals: 30000 Dth per Day~~
3. ~~TERM: November 1, 2016 through July 31, 2019.~~
4. ~~Service will be ON BEHALF OF:  
X Shipper or  
Other: a \_\_\_\_\_~~
5. ~~The ULTIMATE END USERS are (check one):  
\_\_\_\_\_  
\_\_\_\_\_ customers of the following LDC/pipeline company(ies): \_\_\_\_\_  
\_\_\_\_\_ customers in these states: \_\_\_\_\_; or  
X customers within any state in the continental U.S.~~
6. ~~\_\_\_\_\_ This Agreement supersedes and cancels a \_\_\_\_\_ Agreement dated \_\_\_\_\_  
\_\_\_\_\_ Capacity rights for this Agreement were released from \_\_\_\_\_  
X [for firm service only] Service and reservation charges commence the later of:  
\_\_\_\_\_  
\_\_\_\_\_ (a) November 1, 2016, and  
\_\_\_\_\_ (b) the date capacity to provide the service hereunder is available on MEP's System.  
\_\_\_\_\_ Other:~~
7. ~~SHIPPER'S ADDRESSES \_\_\_\_\_ MEP'S ADDRESSES~~
- |                                        |                                                    |
|----------------------------------------|----------------------------------------------------|
| <del>_____ AETHON UNITED BR LP</del>   | <del>_____ MIDCONTINENT EXPRESS PIPELINE LLC</del> |
| <del>_____ ATTN: COREY CARPENTER</del> | <del>_____ ATTENTION: ACCOUNT SERVICES</del>       |
| <del>_____ 12377 MERIT DRIVE</del>     | <del>_____ 1001 LOUISIANA STREET</del>             |
| <del>_____ STE 1200</del>              | <del>_____ SUITE 1000</del>                        |
| <del>_____ DALLAS, TX 75251</del>      | <del>_____ HOUSTON, TEXAS 77002</del>              |
- ~~\_\_\_\_\_~~
- ~~\_\_\_\_\_ Payments:  
\_\_\_\_\_ FOR WIRE TRANSFER:  
\_\_\_\_\_ MIDCONTINENT EXPRESS PIPELINE LLC  
\_\_\_\_\_ WELLS FARGO BANK, NA  
\_\_\_\_\_ ABA # 121 000 248  
\_\_\_\_\_ ACCOUNT # 412 147 2559~~

Contract No. 212545-FTSMEP

~~MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED October 28, 2016  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS (CON'T)~~

- ~~8. 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:~~
- ~~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. (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 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.~~
  - ~~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 Transportation Agreement, as may be revised from time to time.~~

Contract No. 212545-FTSMEP

~~MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED October 28, 2016  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS (CON'T)~~

- ~~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. 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, provided, however, that the Agreement may be assigned by Shipper to a wholly or partially owned affiliate, special purpose joint venture, partnership, or other affiliated entity, including a parent company or partnership, without prior 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.~~
- ~~l. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF TEXAS.~~

Contract No. 212545-FTSMEP

~~MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED October 28, 2016  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS (CON'T)~~

- ~~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 TEXAS, 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~~ ~~AETHON UNITED BR LP~~  
~~MEP~~ ~~SHIPPER~~

/s/: \_\_\_\_\_ /s/: \_\_\_\_\_

NAME: \_\_\_\_\_ NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_ TITLE: \_\_\_\_\_

\_\_\_\_\_  
Norman G. Holmes  
\_\_\_\_\_  
President

EXHIBIT A  
DATED October 28, 2016

Company: ~~AETHON UNITED BR LP~~

Contract No.: 212545-FTSMEP

Receipt Point(s):  
{FTS-Only}

<u>Name/Location</u>	<u>County Area</u>	<u>State</u>	<u>PIN No.</u>	<u>MDQ (Dth)</u>
<b>PRIMARY RECEIPT POINT(S):</b>				
1. <del>HPL/MEP LAMAR</del>	<del>LAMAR</del>	<del>TX</del>	<del>44440</del>	<del>30000</del>

**SECONDARY RECEIPT POINT(S):**

~~All secondary receipt points, and the related priorities and volumes, as provided under the Tariff provisions governing this Agreement.~~

Receipt Pressure, Assumed Atmospheric Pressure

~~Gas to be delivered to MEP at the Receipt Point(s) shall be at the pressure prevailing on MEP's System at that point, but shall not in excess of the Maximum Allowable Operating Pressure (MAOP) stated for each Receipt Point in MEP's Catalog of Points. The measuring party shall use or cause to be used an assumed atmospheric pressure corresponding to the elevation at such Receipt Point(s).~~

Rates

~~The rates shall be the applicable maximum rate and other applicable lawful charges except as otherwise provided in a separate written agreement. Such agreement shall be consistent with Section 34 or 30 of this Tariff (relating to discounts and to negotiated rates, respectively).~~

Fuel Gas and Unaccounted For Gas Percentages (%)

~~Shipper will be assessed the applicable percentages for Fuel Gas, for Booster Compression fuel and for Unaccounted For Gas unless MEP and Shipper mutually agree on monetary reimbursement.~~

~~EXHIBIT B  
DATED October 28, 2016~~

~~Company : AETHON UNITED BR LP~~

~~Contract No.: 212545-FTSMEP~~

~~Delivery Point(s):  
{FTS-Only}~~

<del>Name/Location</del>	<del>County/Parish Area</del>	<del>State</del>	<del>PIN No.</del>	<del>MDQ (Dth)</del>
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~~PRIMARY DELIVERY POINT(S):~~

<del>1. TRNSCO/MEP DEL CHOCTAW</del>	<del>CHOCTAW</del>	<del>AL</del>	<del>44451</del>	<del>30000</del>
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~~SECONDARY DELIVERY POINT(S):~~

~~\_\_\_\_\_~~  
~~All secondary delivery points, and the related priorities and volumes, as provided under the Tariff provisions governing this Agreement.~~

~~Delivery Pressure, Assumed Atmospheric Pressure~~

~~\_\_\_\_\_ Gas to be delivered by MEP to Shipper, or for Shipper's account, at the Delivery Point(s) shall be at the pressures available in MEP's pipeline facilities from time to time. The measuring party shall use or cause to be used an assumed atmospheric pressure corresponding to the elevation at such Delivery Point(s).~~

EXHIBIT C  
DATED ~~October 28, 2016~~

MIDCONTINENT EXPRESS PIPELINE LLC

NEGOTIATED RATE AGREEMENT

~~COMPANY: AETHON UNITED BR LP  
CONTRACT: 212545 FTSMEP~~

ARTICLE 1.  
NEGOTIATED RATE PARAMETERS

1.1 ~~Negotiated Rate Term: From November 1, 2016 through July 31, 2019.~~

1.2 ~~Negotiated Rates:~~

- ~~(a) Negotiated Monthly Base Reservation Rate for Zone 1: \$7.6042/Dth of MDQ, and~~
- ~~(a) Negotiated Monthly Base Reservation Rate for Zone 2: \$5.1708/Dth of MDQ, and~~
- ~~(d) Negotiated Base Commodity Rate: \$0.00/Dth of MDQ.~~

1.3 ~~Eligible Firm Transportation Quantity:~~

~~Thirty Thousand (30,000) Dth per day in Zone 1; and  
Thirty Thousand (30,000) Dth per day in Zone 2.~~

1.4 ~~Eligible Primary Receipt Points:~~

<u>NAME</u>	<u>PIN</u>	<u>Eligible Point (MDQ (Dth/day))</u>
<del>Energy Transfer Pipeline</del>	<del>44440</del>	<del>30,000</del>

1.5 ~~Eligible Secondary Receipt Points. The Negotiated Rates shall apply to service provided on a firm basis from the following secondary receipt points: : all secondary receipt points in Zone 1 and Zone 2 (as such Zones are defined in the General Terms and Conditions of MEP's Tariff)~~

1.6 ~~Eligible Primary Delivery Points:~~

<u>NAME</u>	<u>PIN</u>	<u>Eligible Point (MDQ (Dth/day))</u>
<del>Transcontinental Gas Pipeline</del>	<del>44451</del>	<del>30,000</del>

1.7 ~~Eligible Secondary Delivery Points. The Negotiated Rates shall apply to service provided on a firm basis to all secondary delivery points in Zone 1 and Zone 2 (as such Zones are defined in the General Terms and Conditions of MEP's Tariff)~~

ARTICLE 2  
NEGOTIATED RATE TERMS AND CONDITIONS; ADDITIONAL CHARGES

~~2.1—General Negotiated Rate Limitations. The Negotiated Rates set forth in this Exhibit C shall apply only to: (i) service provided to Shipper by MEP under the Transportation Agreement from the Eligible Receipt Points to the Eligible Delivery Points during the Negotiated Rate Term and (ii) an aggregate maximum daily firm transportation quantity equal to the Eligible Firm Transportation Quantity set forth in Article 1.3 above, for all quantities transported on a firm basis under the Transportation Agreement and any associated capacity release replacement agreements. For any aggregate quantities transported on a firm basis on any day for Shipper and any associated capacity release replacement shippers which: (i) are in excess of the applicable Eligible Firm Transportation Quantity; or (ii) involve any receipt or delivery points which are not Eligible Receipt or Delivery Points, Shipper shall be charged the greater of: (a) the 100% load factor daily rate equivalent of the Shipper's applicable Negotiated Rate for Zone 1, Zone 2, and/or the Leased Capacity and (b) the 100% load factor daily rate equivalent of the applicable maximum base reservation and base commodity rates set forth in the Tariff, as well as all applicable additional rates, charges and surcharges described in Article 2.3 below.~~

~~2.2—Discountable Third Party Surcharges. From time to time, certain reservation and/or commodity surcharges may be approved by the FERC for inclusion in MEP's FERC Gas Tariff which MEP is: (i) required to collect from Shipper and remit to the FERC or to another third party; and (ii) permitted to discount the amount of such surcharge from the applicable maximum rate set forth in MEP's FERC Gas Tariff ("Discountable Third Party Surcharges"). MEP shall discount any particular Discountable Third Party Surcharge to the maximum extent permitted under the provisions of MEP's FERC Gas Tariff. Shipper shall only be responsible for payment to MEP of any portion of such Discountable Third Party Surcharge which MEP is not permitted to discount and for which MEP bills Shipper. There are no applicable Discountable Third Party Surcharges; provided, however, to the extent any Discountable Third Party Surcharge is approved by the FERC for inclusion in MEP Tariff during the term hereof, MEP shall discount such Discountable Third Party Surcharge(s) to the maximum extent permitted under the provisions of its FERC Gas Tariff but not below the amount of such Discountable Third Party Surcharge(s) that MEP is required to remit. Accordingly, Shipper shall be responsible for and pay to MEP the amount attributable to such Discountable Third Party Surcharge(s) which MEP is responsible for paying and remitting to the FERC and/or third party.~~

~~2.3—Additional Rates, Charges, and Surcharges. Unless otherwise expressly provided in this Agreement or agreed to in writing by MEP, Shipper shall also pay MEP all other applicable maximum rates, charges, surcharges, and penalties of any nature set forth in the Tariff, including without limitation all applicable (i) Fuel, booster fuel, and Gas Lost and Unaccounted For charges; (ii) maximum authorized and unauthorized overrun charges; (iii) maximum reservation charges and surcharges; (iv) maximum commodity charges and surcharges; (v) applicable maximum ACA surcharges, and (vi) Leased Capacity Activity charges.~~

Contract No. 215014-FTSMEP

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS





Contract No. 215014-FTSMEP

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED November 1, 2018  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS (CON'T)

8. 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:
- 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. (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 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.
  - 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 Transportation Agreement, as may be revised from time to time.

Contract No. 215014-FTSMEP

MIDCONTINENT EXPRESS PIPELINE LLC (MEP)  
TRANSPORTATION RATE SCHEDULE FTS  
AGREEMENT DATED November 1, 2018  
UNDER SUBPART G OF PART 284  
OF THE FERC'S REGULATIONS (CON'T)

- 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. 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 FTS and ITS, 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 TEXAS, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF TEXAS.



EXHIBIT A  
DATED November 1, 2018  
EFFECTIVE DATE November 2, 2018

Company: 1849 ENERGY PARTNERS, LLC

Contract No.: 215014-FTSMEP

Receipt Point(s):  
[FTS Only]

<u>Name/Location</u>	<u>County Area</u>	<u>State</u>	<u>PIN No.</u>	<u>MDQ (Dth) 1/</u>
<u>PRIMARY RECEIPT POINT(S):</u>				
<u>1. HPL/MEP LAMAR</u>	<u>LAMAR</u>	<u>TX</u>	<u>44440</u>	<u>30000</u>

SECONDARY RECEIPT POINT(S):

All secondary receipt points, and the related priorities and volumes, as provided under the Tariff provisions governing this Agreement.

Receipt Pressure, Assumed Atmospheric Pressure

Gas to be delivered to MEP at the Receipt Point(s) shall be at the pressure prevailing on MEP's System at that point, but shall not in excess of the Maximum Allowable Operating Pressure (MAOP) stated for each Receipt Point in MEP's Catalog of Points. The measuring party shall use or cause to be used an assumed atmospheric pressure corresponding to the elevation at such Receipt Point(s).

Rates

The rates shall be the applicable maximum rate and other applicable lawful charges except as otherwise provided in a separate written agreement. Such agreement shall be consistent with Section 34 or 30 of this Tariff (relating to discounts and to negotiated rates, respectively).

Fuel Gas and Unaccounted For Gas Percentages (%)

Shipper will be assessed the applicable percentages for Fuel Gas, for Booster Compression fuel and for Unaccounted For Gas unless MEP and Shipper mutually agree on monetary reimbursement.

1/ (Specify monthly variations if applicable)

EXHIBIT B  
DATED November 1, 2018  
EFFECTIVE DATE November 2, 2018

Company: 1849 ENERGY PARTNERS, LLC

Contract No.: 215014-FTSMEP

Delivery Point(s):  
[FTS Only]

<u>Name/Location</u>	<u>County/Parish Area</u>	<u>State</u>	<u>PIN No.</u>	<u>MDQ (Dth) 1/</u>
<u>PRIMARY DELIVERY POINT(S):</u>				
<u>1. TRNSCO/MEP DEL CHOCTAW</u>	<u>CHOCTAW</u>	<u>AL</u>	<u>44451</u>	<u>30000</u>

SECONDARY DELIVERY POINT(S):

All secondary delivery points, and the related priorities and volumes, as provided under the Tariff provisions governing this Agreement.

Delivery Pressure, Assumed Atmospheric Pressure

Gas to be delivered by MEP to Shipper, or for Shipper's account, at the Delivery Point(s) shall be at the pressures available in MEP's pipeline facilities from time to time. The measuring party shall use or cause to be used an assumed atmospheric pressure corresponding to the elevation at such Delivery Point(s).

1/ (Specify monthly variations if applicable)

EXHIBIT C

DATED: November 1, 2018  
EFFECTIVE DATE: November 2, 2018

MIDCONTINENT EXPRESS PIPELINE LLC

NEGOTIATED RATE AGREEMENT

COMPANY: 1849 ENERGY PARTNERS, LLC

CONTRACT: 215014 -FTSMEP

ARTICLE 1.

NEGOTIATED RATE PARAMETERS

1.1 Negotiated Rate Term: From November 2, 2018 through July 31, 2019.

1.2 Negotiated Rates:

- (a) Negotiated Monthly Base Reservation Rate for Zone 1: \$7.6042/Dth of MDQ, and
- (b) Negotiated Monthly Base Reservation Rate for Zone 2: \$5.1708/Dth of MDQ, and
- (c) Negotiated Base Commodity Rate: \$0.00/Dth of MDQ.

1.3 Eligible Firm Transportation Quantity:

Thirty Thousand (30,000) Dth per day in Zone 1; and  
Thirty Thousand (30,000) Dth per day in Zone 2.

1.4 Eligible Primary Receipt Points:

<u>NAME</u>	<u>PIN</u>	<u>Eligible Point (MDQ (Dth/day))</u>
<u>HPL/MEP Lamar</u>	<u>44440</u>	<u>30,000</u>

1.5 Eligible Secondary Receipt Points. The Negotiated Rates shall apply to service provided from all secondary receipt points in Zone 1 and Zone 2 (as such Zones are defined in the General Terms and Conditions of MEP's Tariff)

1.6 Eligible Primary Delivery Points:

<u>NAME</u>	<u>PIN</u>	<u>Eligible Point (MDQ (Dth/day))</u>
<u>Transco/MEP Del Choctaw</u>	<u>44451</u>	<u>30,000</u>

1.7 Eligible Secondary Delivery Points. The Negotiated Rates shall apply to service provided to all secondary delivery points in Zone 1 and Zone 2 (as such Zones are defined in the General Terms and Conditions of MEP's Tariff)

ARTICLE 2  
NEGOTIATED RATE TERMS AND CONDITIONS; ADDITIONAL CHARGES

2.1 General Negotiated Rate Limitations. The Negotiated Rates set forth in this Exhibit C shall apply only to: (i) service provided to Shipper by MEP under the Transportation Agreement from the Eligible Receipt Points to the Eligible Delivery Points during the Negotiated Rate Term and (ii) an aggregate maximum daily firm transportation quantity equal to the Eligible Firm Transportation Quantity set forth in Article 1.3 above, for all quantities transported on a firm basis under the Transportation Agreement and any associated capacity release replacement agreements. For any aggregate quantities transported on a firm basis on any day for Shipper and any associated capacity release replacement shippers which: (i) are in excess of the applicable Eligible Firm Transportation Quantity; or (ii) involve any receipt or delivery points which are not Eligible Receipt or Delivery Points, Shipper shall be charged the greater of: (a) the 100% load factor daily rate equivalent of the Shipper's applicable Negotiated Rate for Zone 1 and/or Zone 2, and (b) the 100% load factor daily rate equivalent of the applicable maximum base reservation and base commodity rates set forth in the Tariff, as well as all applicable additional rates, charges and surcharges described in Article 2.3 below.

2.2 Discountable Third Party Surcharges. From time to time, certain reservation and/or commodity surcharges may be approved by the FERC for inclusion in MEP's FERC Gas Tariff which MEP is: (i) required to collect from Shipper and remit to the FERC or to another third party; and (ii) permitted to discount the amount of such surcharge from the applicable maximum rate set forth in MEP's FERC Gas Tariff ("Discountable Third Party Surcharges"). MEP shall discount any particular Discountable Third Party Surcharge to the maximum extent permitted under the provisions of MEP's FERC Gas Tariff. Shipper shall only be responsible for payment to MEP of any portion of such Discountable Third Party Surcharge which MEP is not permitted to discount and for which MEP bills Shipper. There are no applicable Discountable Third Party Surcharges; provided, however, to the extent any Discountable Third Party Surcharge is approved by the FERC for inclusion in MEP Tariff during the term hereof, MEP shall discount such Discountable Third Party Surcharge(s) to the maximum extent permitted under the provisions of its FERC Gas Tariff but not below the amount of such Discountable Third Party Surcharge(s) that MEP is required to remit. Accordingly, Shipper shall be responsible for and pay to MEP the amount attributable to such Discountable Third Party Surcharge(s) which MEP is responsible for paying and remitting to the FERC and/or third party.

2.3 Additional Rates, Charges, and Surcharges. Unless otherwise expressly provided in this Agreement or agreed to in writing by MEP, Shipper shall also pay MEP all other applicable maximum rates, charges, surcharges, and penalties of any nature set forth in the Tariff, including without limitation all applicable (i) Fuel, booster fuel, and Gas Lost and Unaccounted For charges; (ii) maximum authorized and unauthorized overrun charges; (iii) maximum reservation charges and surcharges; (iv) maximum commodity charges and surcharges; and (v) applicable maximum ACA surcharges.