

October 31, 2018

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

RE: Fayetteville Express Pipeline LLC

Docket No. RP19-____

Negotiated Rate Service Agreement

Dear Ms. Bose:

Pursuant to Parts 154.204 and 154.601 of the regulations of the Federal Energy Regulatory Commission (Commission), Fayetteville Express Pipeline LLC (FEP) hereby electronically submits for filing with the Commission as part of its FERC NGA Gas Tariff, First Revised Volume No. 1 and volume titled "Filed Agreements" (Tariff), the revised tariff records listed on Appendix A to this letter, to be effective on November 1, 2018.

STATEMENT OF NATURE, REASONS AND BASIS

The purpose of this filing is to revise certain tariff records to reflect changes to a service agreement containing a negotiated rate and non-conforming terms of service. More particularly, FEP and BP Energy Company (BP Energy) are currently parties to Rate Schedule FTS transportation agreement No. 200003 (FTS Agreement). BP Energy and Riverbend Oil & Gas VIII, LLC (Riverbend) jointly filed in Docket No. RP18-1179-000 a petition pursuant to Rule 207 of the Commission's Rules of Practice and Procedure, requesting all necessary approvals and waivers to effectuate a permanent release and assignment of the FTS Agreement from BP Energy to Riverbend. The petition requests temporary waiver of the capacity release provisions of the Tariff and certain Commission policies. The petition also describes the details of the transaction and documents that the non-conforming terms in the FTS Agreement were previously filed and approved by the Commission. The Commission granted the petitioners request for temporary, limited waivers as set forth in the petition and as discussed in the Commission's letter order dated October 12, 2018 (165 FERC ¶ 61,018 (2018)).

Similar to the original FTS Agreement, an agreement concerning specific credit requirements between FEP and Riverbend is necessary to keep FEP financially indifferent to the permanent release of the subject capacity. Accordingly, FEP and Riverbend have entered into a credit arrangement to satisfy this requirement. The non-conforming creditworthiness provisions do not present a risk of undue discrimination or affect the quality of service provided by FEP.

As the Riverbend service agreement will replace the BP Energy service agreement, Appendix B identifies the changes to the assigned service agreement, specifically, the name of the shipper, contract number, dates of service, updated addresses, removal of obsolete interim period service language, change in receipt points and creditworthiness provisions tailored to Riverbend.

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In addition to the service agreement reflected in the Filed Agreements volume of the Tariff, FEP is updating the Statement of Negotiated Rates tariff record and GT&C Section 38 listing of non-conforming agreements in First Revised Volume No. 1 of the Tariff. FEP is also updating the contact information on the title page of FEP's tariff volumes titled "First Revised Volume No. 1" and "Filed Agreements."

IMPLEMENTATION AND WAIVER REQUEST

Pursuant to Section 154.7(a)(9) of the Commission's Regulations, FEP requests that the revised tariff records submitted herewith become effective November 1, 2018, the effective date of the assignment of the service agreement discussed herein. FEP respectfully requests that the Commission grant waiver of Section 154.207 of the Commission's regulations and any and all other waivers of its regulations that it deems necessary to approve the changes to the service agreement and allow the proposed tariff records in this filing to become effective on November 1, 2018, as proposed.

CONTENTS OF THE FILING

This filing is made in electronic format in compliance with Section 154.4 of the Commission's Regulations. The proposed tariff records in RTF format with metadata attached are being submitted as part of an XML filing package containing the following:

- This transmittal letter that includes a Statement of Nature, Reasons and Basis and Appendix A in PDF format
- A clean version of the proposed tariff records in PDF format for publishing in eLibrary
- A marked version of the proposed tariff changes in PDF format
- Appendix B showing changes to the assigned agreement in PDF format
- A copy of the complete filing in PDF format for publishing in eLibrary.

As the tariff records containing the new Riverbend service agreement are new tariff records, there is no marked version of the Version 0.0.0 tariff records included in the Marked Tariff attachment.

COMMUNICATIONS, PLEADINGS AND ORDERS

All correspondence and communications concerning this filing should be served on each of the following persons:

Michael T. Langston ¹
Vice President
Chief Regulatory Officer
Fayetteville Express Pipeline LLC
1300 Main Street
Houston, TX 77002
(713) 989-7610
(713) 989-1205 (Fax)
michael.langston@energytransfer.com

Brooks Henderson ¹
Director - Regulatory
Colonial Brookwood Center
569 Brookwood Village – Suite 749
Birmingham, AL 35209
(205) 325-3843
brooks_henderson@KinderMorgan.com

Designated to receive service pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure. FEP respectfully requests that the Commission waive Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), in order to allow FEP to include additional representatives on the official service list.

Ms. Kimberly Bose, Secretary Federal Energy Regulatory Commission October 31, 2018 Page 3

Deborah A. Bradbury 12

Sr. Director – Regulatory Tariffs & Reporting Fayetteville Express Pipeline LLC 1300 Main Street Houston, TX 77002 (713) 989-7571 (713) 989-1205 (Fax) debbie.bradbury@energytransfer.com

Kevin Erwin 1

Associate General Counsel Fayetteville Express Pipeline LLC 1300 Main Street Houston, TX 77002 (713) 989-2745 (713) 989-1212 (Fax) kevin.erwin@energytransfer.com

In accordance with Section 154.208(d) of the Commission's Regulations, a copy of this filing is available for public inspection during regular business hours at FEP's office at 1300 Main Street, Houston, Texas 77002. In addition, copies of this filing are being electronically served on jurisdictional customers and interested state regulatory commissions. FEP has posted this filing on its Internet website accessible via http://feptransfer.energytransfer.com under Informational Postings, Regulatory.

Pursuant to Section 385.2005(a) of the Commission's regulations, the undersigned states that he has read this filing and knows its contents, that the contents are true to the best of her knowledge and belief, and that she possesses full power and authority to sign this filing.

Respectfully submitted,

Fayetteville Express Pipeline LLC

/s/ Deborah A. Bradbury

Deborah A. Bradbury
Sr. Director – Regulatory Tariffs & Reporting

² Designated as responsible Company official under Section 154.7(a)(2) of the Commission's regulations.

FAYETTEVILLE EXPRESS PIPELINE LLC FERC NGA Gas Tariff

Tariff Records <u>Proposed to be effective November 1, 2018</u>

Version	<u>Description</u>	<u>Title</u>				
Filed Agreeme	<u>nts</u>					
1.0.0 1.0.0 1.0.0 1.0.0 1.0.0 1.0.0 1.0.0 1.0.0	Tariff Agreement 1. 2. 3. Agreement 1. 2. 3.	Filed Agreements K200003 (BP Energy Company) - Assigned Reserved Reserved Reserved K200078 (Riverbend Oil & Gas VIII, LLC) K200078 - Exh A (Riverbend Oil & Gas VIII, LLC) K200078 - Exh B (Riverbend Oil & Gas VIII, LLC) K200078 - Exh C (Riverbend Oil & Gas VIII, LLC)				
First Revised Volume No. 1						

1.0.0	Tariff	First Revised Volume No. 1
5.0.0	Currently Effective Rates	Statement of Negotiated Rates
4.0.0	38.	Non-Conforming Agreements

FERC NGA GAS TARIFF

FIRST REVISED VOLUME NO. 1 (Supersedes Original Volume No. 1)

of

FAYETTEVILLE EXPRESS PIPELINE LLC

Filed With The

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff Should be Addressed To:

Michael T. Langston
Vice President
Chief Regulatory Officer
Telephone: (713) 989-7610
Facsimile: (713) 989-1205
michael.langston@energytransfer.com

Fayetteville Express Pipeline LLC P. O. Box 4967 Houston, Texas 77210-4967

> 1300 Main Street Houston, Texas 77002

STATEMENT OF NEGOTIATED RATE TRANSACTIONS PURSUANT TO SECTION 30

Shipper Name	Rate Schedule	Term of Contract	Contract MDQ (Dth/d)	Reservation Rate(s)	Commodity Charge(s)	Primary Receipt Point(s)/Point No(s).	Primary Delivery Point(s)/Point No(s).
Southwestern Energy Services Company	FTS	1/	1/	1/	1/	1/	1/
Cross Timbers Energy Services, Inc.	FTS	1/, 3/	1/, 3/	1/, 3/	1/, 3/	1/, 3/	1/, 3/
Riverbend Oil & Gas VIII, L.L.C.	FTS	1/	1/	1/	1/	1/	1/
Southwestern Energy Services Company	ITS	2/	2/	2/	2/	2/	2/
MMGJ Arkansas Upstream, LLC	FTS	4/	4/	4/	4/	4/	4/

Filed On: October 31, 2018

Effective On: November 1, 2018

^{1/} This information is set out in the executed Transportation Rate Schedule FTS Agreement and corresponding Negotiated Rate Exhibit, which have been filed with the Commission as a part of FEP's tariff volume titled "Filed Agreements."

This information is set out in the executed Transportation Rate Schedule ITS Agreement, which has been filed with the Commission in compliance with the Commission's Order in 129 FERC ¶ 61,235 at Docket No. CP09-433-000.

This negotiated rate agreement is an assignment of an executed Transportation Rate Schedule FTS Agreement and corresponding Negotiated Rate Exhibit which were filed with the Commission in compliance with the Commission's Order in 129 FERC ¶ 61,235 at Docket No. CP09-433-000.

This negotiated rate agreement was entered into following the acquisition of BHP Billiton Petroleum (Fayetteville) LLC (BHP) by MMGJ Arkansas, LLC (MMGJ) including the firm transportation capacity under its Rate Schedule FTS Transportation Agreement with FEP. Immediately upon closing, MMGJ changed the name of BHP to MMGJ Arkansas Upstream, LLC.

38. NON-CONFORMING AGREEMENTS

The Commission has directed that the following Agreements be filed with the Commission because they contain provisions which do not conform to FEP's pro forma service agreements.

Southwestern Energy Services Company, Transportation Rate Schedule FTS Agreement, Dated January 6, 2010 (Contract No. 200000).

Cross Timbers Energy Services, Inc., Transportation Rate Schedule FTS Agreement, Dated September 27, 2010 (Contract No. 200002).

Riverbend Oil & Gas VIII, LLC, Transportation Rate Schedule FTS Agreement, Dated November 1, 2018 (Contract No. 200078).

Southwestern Energy Services Company, Transportation Rate Schedule ITS Agreement Dated January 8, 2010 (Contract No. 200004).

MMGJ Arkansas Upstream, LLC, Transportation Rate Schedule FTS Agreement Dated September 28, 2018 (Contract No. 200045).

FERC NGA GAS TARIFF

FILED AGREEMENTS

of

FAYETTEVILLE EXPRESS PIPELINE LLC

Filed With The

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff Should be Addressed To:

Michael T. Langston
Vice President
Chief Regulatory Officer
Telephone: (713) 989-7610
Facsimile: (713) 989-1205
michael.langston@energytransfer.com

Fayetteville Express Pipeline LLC P. O. Box 4967 Houston, Texas 77210-4967

> 1300 Main Street Houston, Texas 77002

FERC NGA Gas Tariff

Filed Agreements

Effective on November 1, 2018

(Version 1.0.0, Agreement) K 200003 (BP Energy Company) - Assigned

BP Energy Company (Contract No. 200003)

Is assigned to

Riverbend Oil & Gas VIII, LLC (Contract No. 200078)

Effective November 1, 2018

FERC NGA Gas Tariff

Filed Agreements

Effective on November 1, 2018

(Version 1.0.0, 1.) Reserved

FERC NGA Gas Tariff

Filed Agreements

Effective on November 1, 2018

(Version 1.0.0, 2.) Reserved

FERC NGA Gas Tariff

Filed Agreements

Effective on November 1, 2018

(Version 1.0.0, 3.) Reserved

FERC NGA Gas Tariff

Filed Agreements

Effective on November 1, 2018

(Version 1.0.0, Agreement) K 200078 (Riverbend Oil & Gas VIII, LLC)

FAYETTEVILLE EXPRESS PIPELINE LLC ("FEP") RATE SCHEDULE FTS TRANSPORTATION AGREEMENT NO. 2000 8 DATED NOVEMBER 1, 2018 UNDER SUBPART G OF PART 284 OF THE FERC'S REGULATIONS

- 1. SHIPPER is: Riverbend Oil & Gas VIII, LLC, a Delaware corporation. Shipper is a "Standard Shipper" on FEP's pipeline system pursuant to the terms of the Open Season held by FEP in connection with the construction of FEP's initial pipeline system.
- 2. MDQ: 125,000 Dth per Day.
- 3. TERM: This Transportation Agreement shall be effective on November 1, 2018 (the "Effective Date") and will continue through December 31, 2020 (the "Primary Term"). The term of this Transportation Agreement may be extended following expiration of the Primary Term, in accordance with the provisions of Exhibit C to this Transportation Agreement and any applicable provisions of FEP's Tariff.
- 4. Service will be ON BEHALF OF:

<u>XX</u> :	Shipper		
•••••	Other:	a	***************************************

5. SHIPPER'S ADDRESS

FEP'S ADDRESS

Notices:

Riverbend Oil & Gas VIII, LLC 500 Dallas St., Suite 1250 Houston, TX 77002 Attn: Thomas Galloway tgalloway@rboil.com

Fayetteville Express Pipeline LLC Attn: Contract Administration 1300 Main Street Houston, TX 77002

Payments:

Fayetteville Express Pipeline LLC Wells Fargo Bank, NA ABA No. Wire: 121000248 ABA No. ACH: 05310156 Acct: 2000045258682

6. OTHER PROVISIONS:

(a) <u>Notifications</u>. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this Transportation 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 this Transportation Agreement, as may be revised from time to time.

- (b) Nonwaiver of Rights. No delay or failure to exercise any right or remedy accruing to either FEP 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.
- (c) No Third Party Beneficiaries. This Transportation Agreement shall not create any rights in any third parties, and no provision of this Transportation Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than FEP or Shipper.
- (d) 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 ("FERC").
- (e) Effect of Tariff. This Transportation Agreement shall at all times be subject to all applicable provisions of FEP's Tariff.
- (f) GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS TRANSPORTATION 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.
- Entire Agreement. This Transportation Agreement contains the entire agreement between FEP 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 Transportation Agreement shall be effective unless agreed upon in a written instrument executed by FEP and Shipper which expressly refers to this Transportation Agreement.
- The above-stated Rate Schedule, as revised from time to time, controls this Transportation Agreement and is incorporated herein. The attached Exhibits A, B, and C are incorporated by reference and made a part of this Transportation Agreement. Shipper shall provide the actual end user purchaser name(s) to FEP if FEP must provide them to the FERC.

Agreed to by:

FAYETTEVILLE EXPRESS

PIPELINE L

RIVERBEILD ("SHIPPE

NAME: Randy

TITLE: President

FERC NGA Gas Tariff

Filed Agreements

Effective on November 1, 2018

(Version 0.0.0, 1.) K 200078 - Exh A (Riverbend Oil & Gas VIII, LLC)

EXHIBIT A DATED NOVEMBER 1, 2018 TO

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS TRANSPORTATION AGREEMENT NO. 2007 V DATED NOVEMBER 1, 2018

Company: Riverbend Oil & Gas VIII, LLC

Contract No.: 200078

Receipt Point(s):

PRIMARY RECEIPT POINT(S):

Effective from: The Effective Date through: 12/31/2020

Name / Location	County/Area	State	Point No.	MDQ (Dth)
Crestwood Woolly Hollow	Faulkner	AR	78560	2,000
SWN/New Quitman	Faulkner	AR	78517	15,000
BHP/Little Creek	White	AR	78526	25,000
BHP/Center Ridge	White	AR	78557	0
SWN/Cove Creek	Faulkner	AR	78514	12,750
Crestwood Twin Grove	Faulkner	AR	78558	12,500
Crestwood Prairie Creek	Conway	AR	78556	43,750
SWN/Tiger	White	AR	78521	10,000
SWN/Midge #2	White	AR	78520	4,000

Except as authorized by the provisions of FEP's Tariff governing segmentation, in no event shall Shipper's aggregate primary receipt point capacity exceed Shipper's corresponding Contract MDQ.

SECONDARY RECEIPT POINT(S):

Shipper shall have rights to secondary receipt points in accordance with the provisions of FEP's Tariff, at the rates and related terms set forth in Exhibit C to this Transportation Agreement.

Receipt Pressure, Assumed Atmospheric Pressure

Gas to be delivered to FEP at the Receipt Point(s) shall be in accordance with Section 18.1 of FEP's General Terms and Conditions, but shall not be in excess of the Maximum Allowable Operating Pressure ("MAOP") stated for each Receipt Point in FEP's Catalog of Points.

Rates

The rates for service under the Transportation Agreement shall be as set forth in the Negotiated Rate Agreement attached as Exhibit C to this Transportation Agreement, consistent with FEP's Tariff.

Fuel Gas, Booster Compression Fuel and Lost and Unaccounted For Gas Reimbursement Percentages (%)

Shipper will reimburse FEP for Fuel Gas, Booster Compression Fuel and Lost and Unaccounted For Gas in accordance with the Negotiated Rate Agreement attached as Exhibit C to this Transportation Agreement, consistent with the provisions of FEP's Tariff.

FERC NGA Gas Tariff

Filed Agreements

Effective on November 1, 2018

(Version 0.0.0, 2.) K 200078 – Exh B (Riverbend Oil & Gas VIII, LLC)

EXHIBIT B DATED NOVEMBER 1, 2018 TO

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS TRANSPORTATION AGREEMENT NO. 20078 DATED NOVEMBER 1, 2018

MDA

Company: Riverbend Oil & Gas VIII, LLC

Contract No.: 200078

Delivery Point(s):

PRIMARY DELIVERY POINT(S):

Effective from: The Effective Date through: 12/31/2020

Name / Location	County/Area	State	Point No.	(Dth)
Texas Gas/Lula	Coahoma	MS	78523	37,500
Trunkline/Panola	Panola	MS	78525	37,500
ANR/Quitman	Quitman	MS	78524	50,000

Except as authorized by the provisions of FEP's Tariff governing segmentation, in no event shall Shipper's aggregate primary delivery point capacity exceed Shipper's corresponding Contract MDQ.

2. SECONDARY DELIVERY POINT(S):

Shipper shall have rights to secondary delivery points in accordance with the provisions of FEP's Tariff, at the rates and related terms set forth in Exhibit C to this Transportation Agreement.

Delivery Pressure, Assumed Atmospheric Pressure

Gas to be delivered by FEP to Shipper, or for Shipper's account, at the Delivery Point(s) shall be in accordance with Section 18.2 of FEP's General Terms and Conditions.

FERC NGA Gas Tariff

Filed Agreements

Effective on November 1, 2018

(Version 0.0.0, 1.) K 200078 - Exh C (Riverbend Oil & Gas VIII, LLC)

EXHIBIT C

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS TRANSPORTATION AGREEMENT NO. 20078

DATED NOVEMBER 1, 2018

NEGOTIATED RATE AGREEMENT

This Negotiated Rate Agreement ("Agreement") between Fayetteville Express Pipeline LLC ("FEP") and Riverbend Oil & Gas VIII, LLC ("Shipper"), incorporated as an exhibit to Rate Schedule FTS Transportation Agreement No. Ool between FEP and Shipper dated November 1, 2018 ("Transportation Agreement"), sets forth the rates and charges for the natural gas transportation service to be provided by FEP to Shipper under the Transportation Agreement ("Negotiated Rates"), subject to the terms and the requirements of the Federal Energy Regulatory Commission ("FERC") pertaining to negotiated rate transactions.

ARTICLE 1 NEGOTIATED RATE PARAMETERS

- 1.1 <u>Negotiated Rate Term.</u> For service provided by FEP to Shipper under the Transportation Agreement, the Negotiated Rates set forth in this Agreement shall be effective from the Effective Date and shall remain in effect through the expiration of the Primary Term of the Transportation Agreement, and thereafter to the extent provided in Section 3.4 of this Agreement, unless otherwise agreed by FEP and Shipper.
- 1.2 Primary Term Reservation and Commodity Rates. For service provided by FEP to Shipper from the Eligible Receipt Points to the Eligible Delivery Points set forth in this Article 1 during the Primary Term of the Transportation Agreement, Shipper shall pay FEP the following Fixed Negotiated Monthly Base Reservation Rate and Fixed Negotiated Base Commodity Rate:
- (a) <u>Fixed Negotiated Monthly Base Reservation Rate</u>: \$7.4527/Dth of Shipper's Transportation Agreement Contract MDQ (equal to \$0.245/Dth per day on a 100% load factor basis).
 - (b) Fixed Negotiated Base Commodity Rate: \$0.00/Dth.

The Fixed Negotiated Monthly Base Reservation Rate and Fixed Negotiated Base Commodity Rate shall remain fixed for the Primary Term of the Transportation Agreement, regardless of any otherwise applicable maximum or minimum rate set forth in FEP's Tariff.

- 1.3 Eligible Firm Transportation Quantity. 125,000 Dth/day.
- 1.4 Eligible Primary Receipt Points. The Negotiated Rates shall apply to service provided to Shipper from the initial Primary Receipt Points set forth in the Transportation Agreement. The Negotiated Rates shall also apply to service provided from any other Primary Receipt Point under the Transportation Agreement, as amended from time to time, which is a receipt point on FEP's initial pipeline system as described in FEP's certificate application as approved by the FERC in Docket No. CP09-433-000 on December 17, 2009 ("FEP's Initial Pipeline System").

- 1.5 <u>Eligible Secondary Receipt Points</u>. The Negotiated Rates shall apply to service provided to Shipper on a secondary firm basis from all receipt points on FEP's Initial Pipeline System.
- 1.6 Eligible Primary Delivery Points. The Negotiated Rates shall apply to service provided to Shipper to the initial Primary Delivery Points set forth in the Transportation Agreement. The Negotiated Rates shall also apply to service provided to any other Primary Delivery Point under the Transportation Agreement, as amended from time to time, which is a delivery point on FEP's Initial Pipeline System.
- 1.7 <u>Eligible Secondary Delivery Points</u>. The Negotiated Rates shall apply to service provided to Shipper on a secondary firm basis to all delivery points on FEP's Initial Pipeline System.

ARTICLE 2 NEGOTIATED RATE TERMS AND CONDITIONS; ADDITIONAL RATES AND CHARGES

- General Negotiated Rate Limitations. The Negotiated Monthly Base Reservation Rates and Negotiated Base Commodity Rates set forth in this Exhibit C shall apply only to: (i) service provided to Shipper by FEP under the Transportation Agreement from the Eligible Receipt Points to the Eligible Delivery Points during the Primary Term; and (ii) an aggregate maximum daily firm transportation quantity equal to the Eligible Firm Transportation Quantity set forth in Section 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 Shipper's applicable Negotiated Monthly Base Reservation Rates and Negotiated Base Commodity Rates; and (b) the 100% load factor daily rate equivalent of the applicable maximum base reservation and base commodity rates set forth in FEP's Tariff, as well as all applicable additional rates, charges and surcharges described in Section 2.3 below.
- 2.2 <u>Surcharges</u>. For all service provided under the Transportation Agreement, Shipper shall pay FEP the ACA surcharge, and any and all such additional reservation and/or commodity surcharges which may be approved by the FERC from time to time for inclusion in FEP's Tariff; provided, however, that FEP shall discount any such additional surcharges to the maximum extent permitted under the provisions of FEP's Tariff. Shipper shall pay FEP that portion of such surcharge, if any, which FEP is not permitted to discount.
- 2.3 Additional Rates and Charges. In addition to the Fixed Negotiated Monthly Base Reservation Rates, Fixed Negotiated Commodity Rates, and Surcharges set forth above which are applicable to service provided to Shipper under the Transportation Agreement during the Primary Term, and unless otherwise expressly provided in this Agreement or agreed to in writing by FEP, Shipper shall also pay FEP all other applicable maximum rates, charges, surcharges, and penalties of any nature set forth in FEP's Tariff, including without limitation all applicable maximum: (i) Fuel Gas, Lost and Unaccounted For Gas, and Booster Compression Fuel charges; and (ii) authorized and unauthorized overrun charges.

ARTICLE 3 MISCELLANEOUS PROVISIONS

- 3.1 <u>Applicable Maximum and Minimum Tariff Rates</u>. Unless otherwise expressly provided in this Agreement, the Negotiated Rates shall apply to service provided by FEP to Shipper for the term of the Transportation Agreement, notwithstanding any otherwise applicable maximum or minimum rates set forth in FEP's Tariff, as may be revised from time to time.
- 3.2 <u>Refunds</u>. In no event shall FEP 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 FEP's Tariff.
- 3.3 <u>Conformance to Law</u>. Shipper and FEP understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under FEP's Tariff and the regulations and policies of the FERC, including without limitation any requirements for FEP to file for and receive FERC approval of the Negotiated Rates.
- 3.4 Rollover and ROFR Rights. Shipper shall have the unilateral right to extend the initial and any subsequent term of the Transportation Agreement beyond the Primary Term for all or any portion of the existing Contract MDQ: (i) for a minimum term of five (5) years, at the Fixed Negotiated Monthly Base Reservation Rate and the Fixed Negotiated Base Commodity Rate set forth in Section 1.2 of this Agreement (collectively, the "Initial Rates"), or at negotiated rates equal to all applicable then-existing maximum recourse rates; or (ii) for a term of one (1) year, at Shipper's Initial Rates (collectively, the "Rollover Right"). Shipper may exercise the Rollover Right by the provision of twelve months' prior written notice to FEP prior to the end of the Primary Term or any subsequent extended term. Shipper may also exercise its Rollover Right with regard to capacity for which Shipper has previously exercised its Rollover Right or its contractual right-of-first-refusal. Shipper shall also have a contractual right-of-first-refusal to retain capacity under the Transportation Agreement, upon expiration of the Primary Term and any subsequent term which is equal to or greater than one (1) year, in the event that Shipper elects not to exercise any applicable Rollover Right with respect to such capacity. Such contractual right-of-first-refusal shall be exercisable in accordance with the procedures set forth in the Tariff. Shipper's exercise of any of its term extension rights under this Section 3.4 shall not affect in any manner Shipper's right at any later date to exercise any other term extension right hereunder. Shipper may exercise any of its term extension rights under this Section 3.4 an unlimited number of times.
- 3.5 <u>Creditworthiness</u>. Shipper at all times must maintain such creditworthiness (or provide credit support) as is required under this Section 3.5.
- (a) Shipper will be deemed creditworthy if (i) the long-term unsecured credit rating of Shipper, or of a corporate parent of Shipper ("Parent Guarantor") from which there is a theneffective irrevocable guaranty in a form satisfactory to FEP and in an amount equal to twenty-seven (27) months of reservation fees and commodity fees based on the Contract MDQ, is at least BBB- by Standard & Poor's ("S&P") and at least Baa3 by Moody's Investors Service, Inc. ("Moody's"), without being qualified by or subject to a ratings action indicating a negative short-term or long-term outlook; and (ii) the sum of reservation fees, commodity fees and any other associated fees and charges for the contract term is less than 20% of Shipper's or its Parent Guarantor's, as applicable, tangible net worth. The term "tangible net worth" shall mean for a corporation the sum of the capital stock, paid-in capital in excess of par or stated value, and other free and clear equity reserve accounts less goodwill, patents, unamortized loan costs or restructuring costs, and other intangible assets. Only actual tangible assets are included in FEP's assessment of creditworthiness. In comparing the overall value of a shipper's contract to tangible net worth for credit evaluation purposes, FEP will compare the net present value of the demand or reservation charge obligations under such contracts to Shipper's current tangible net worth. If Shipper has multiple service agreements with FEP, then the total potential fees and charges of all such service agreements shall be considered in determining creditworthiness.

- (b) If Shipper does not meet the creditworthiness requirements of FEP, then Shipper shall thereafter maintain a cash deposit, irrevocable standby letter of credit that is in a form and from a bank acceptable to FEP, in FEP's sole judgment, or other form of credit support acceptable to FEP in FEP's sole judgment, in any case securing the full and faithful performance and payment of all of Shipper's obligations under the Transportation Agreement ("Credit Support"), equal to the total aggregate dollar value of twenty-seven (27) months of reservation charges due from shipper for the Contract MDQ under the Transportation Agreement. The Credit Support shall be issued and maintained by Shipper for the benefit of FEP throughout the term of the Transportation Agreement, as may be extended from time to time.
- (c) At any time while the Transportation Agreement is effective, if FEP determines that, as of such time any bank or other institution providing or ensuring Credit Support in FEP's favor in accordance with section 3.5(b) above is no longer acceptable to FEP, then FEP may submit a written notice of such determination to Shipper (which notice shall provide FEP's basis for such determination), and within five (5) business days after Shipper's receipt of such notice from FEP, Shipper shall deliver to FEP, and shall thereafter maintain, alternative Credit Support in accordance with section 3.5(b) above.
- (d) Other than cash, any Credit Support that is provided to FEP pursuant to section 3.5(b) shall permit partial draws and shall have an expiry date no sooner than twelve (12) calendar months after issuance thereof. Shipper shall furnish extension or replacement of such Credit Support sixty (60) days prior to the expiration thereof, from time to time until the expiration of the FTS Agreement. All extensions, amendments and replacement of any of Shipper's Credit Support shall be delivered to FEP in the form of such outstanding Credit Support, or in a form otherwise satisfactory to FEP. FEP shall have the right to draw against any outstanding Credit Support upon: (i) failure to make payment when due under the Transportation Agreement; or (ii) the failure or refusal of Shipper to deliver any applicable extension, amendment or replacement of an outstanding Credit Support as provided herein. In the event of draw in accordance with clause (i) of the preceding sentence, the proceeds of such draw shall be applied against any costs, expenses or damages incurred by FEP. In the event of a draw in accordance with clause (ii), which draw may be in whole or part, the proceeds of the draw shall be retained by FEP until FEP receives a replacement shipper's Credit Support or until FEP does in fact incur any costs, expenses or damages as a result of a breach by Shipper of any of its obligations under the FTS Agreement (in which event, such monies shall be applied against same). If drawn in part or in whole, Shipper shall immediately thereafter provide a replacement shipper's Credit Support in an amount equal to the amount drawn by FEP. Any draw made by FEP under an outstanding Credit Support shall not relieve Shipper of any liabilities, deficiencies, costs, expense or damages beyond what is drawn under the Credit Support. Shipper's Credit Support (representing any undrawn portion thereof), to the extent it still remains of any Credit Support in the form of cash deposit held by FEP shall be returned to Shipper on or before the thirtieth (30th) day after the later to occur of (i) the date on which the Transportation Agreement has terminated or expired and (ii) the date on which all of Shippers performance and payment obligations under the Transportation Agreement (including, without limitation, any damages arising from the Transportation Agreement) have been fulfilled.
- (e) The creditworthiness and Credit Support requirements set forth in this Section 3.5 shall apply to any assignment (in whole or in part) of, and to any permitted permanent release of capacity under, as applicable, the Transportation Agreement for the term of the Transportation Agreement. FEP shall apply consistent evaluation practices to all similarly situated shippers to determine the shipper's financial ability to perform the payment obligations due to FEP over the term of the requested or existing service agreement.
- 3.6 <u>Succession and Assignment</u>. As of the Effective Date of the Transportation Agreement, the Transportation Agreement may only be assigned in accordance with the express provisions of FEP's Tariff, including the permanent capacity release provisions of FEP's Tariff. No assignment of the Transportation Agreement, nor any permanent or temporary release of capacity under the Transportation Agreement, will transfer any special rights which apply to Shipper under the terms of this Agreement, other than an assignment in whole of the Transportation Agreement. To the extent that Shipper at any time permanently releases all or any portion of its capacity under the Transportation Agreement, at a rate greater than the rate paid by Shipper for such permanently

released capacity, no portion of any such greater rate shall be credited to or otherwise received by Shipper, but shall instead be retained in whole by FEP.



FERC NGA GAS TARIFF

FIRST REVISED VOLUME NO. 1 (Supersedes Original Volume No. 1)

of

FAYETTEVILLE EXPRESS PIPELINE LLC

Filed <u>w</u> ith <u>t</u> he

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff
Should be Addressed **<u>t</u>** Co:

Shelley A. CormanMichael T. Langston
Vice President
Chief Regulatory Officer
Fayetteville Express Pipeline LLC
711 Louisiana Street, Suite 900
Houston, Texas 77002

Telephone: (281713) 714-2010989-7610 Facsimile: (281713) 714-2179989-1205

michael.langston@energytransfer.commichael.langston@energytransfer.com

Fayetteville Express Pipeline LLC
P. O. Box 4967
Houston, Texas 77210-4967

1300 Main Street Houston, Texas 77002

STATEMENT OF NEGOTIATED RATE TRANSACTIONS PURSUANT TO SECTION 30

Shipper Name	Rate Schedule	Term of Contract	Contract MDQ (Dth/d)	Reservation Rate(s)	Commodity Charge(s)	Primary Receipt Point(s)/Point No(s).		Primary Delivery Point(s)/Point No(s).
Southwestern Energy Services Company	FTS	1/	1/	1/	1/	1/		1/
Cross Timbers Energy Services, Inc.	FTS	1/, 3/	1/, 3/	1/, 3/	1/, 3/	1/, 3/		1/, 3/
BP Energy CompanyRiverbend Oi	1 & Gas VIII, L.L.C.	FTS	1/	1/	1/	1/	1/	
Southwestern Energy Services Company	ITS	2/	2/	2/	2/	2/		2/
MMGJ Arkansas Upstream, LLC	FTS	4/	4/	4/	4/	4/		4/

Filed On: October 31, 2018

Effective On: November 1, 2018

^{1/} This information is set out in the executed Transportation Rate Schedule FTS Agreement and corresponding Negotiated Rate Exhibit, which have been filed with the Commission in compliance with the Commission's Order in 129 FERC § 61,235 at Docket No. CP09-433-000 as a part of FEP's tariff volume titled "Filed Agreements."

This information is set out in the executed Transportation Rate Schedule ITS Agreement, which has been filed with the Commission in compliance with the Commission's Order in 129 FERC ¶ 61,235 at Docket No. CP09-433-000.

This negotiated rate agreement is an assignment of an executed Transportation Rate Schedule FTS Agreement and corresponding Negotiated Rate Exhibit which were filed with the Commission in compliance with the Commission's Order in 129 FERC ¶ 61,235 at Docket No. CP09-433-000.

This negotiated rate agreement was entered into following the acquisition of BHP Billiton Petroleum (Fayetteville) LLC (BHP) by MMGJ Arkansas, LLC (MMGJ) including the firm transportation capacity under its Rate Schedule FTS Transportation Agreement with FEP. Immediately upon closing, MMGJ changed the name of BHP to MMGJ Arkansas Upstream, LLC.

38. NON-CONFORMING AGREEMENTS

The Commission has directed that the following Agreements be filed with the Commission because they contain provisions which do not conform to FEP's pro forma service agreements.

Southwestern Energy Services Company, Transportation Rate Schedule FTS Agreement, Dated January 6, 2010 (Contract No. 200000).

Cross Timbers Energy Services, Inc., Transportation Rate Schedule FTS Agreement, Dated September 27, 2010 (Contract No. 200002).

BP Energy CompanyRiverbend Oil & Gas VIII, L.L.C., Transportation Rate Schedule FTS Agreement, Dated December 17, 2009 November 1, 2018 (Contract No. 20000378).

Southwestern Energy Services Company, Transportation Rate Schedule ITS Agreement Dated January 8, 2010 (Contract No. 200004).

MMGJ Arkansas Upstream, LLC, Transportation Rate Schedule FTS Agreement Dated September 28, 2018 (Contract No. 200045).

FERC GAS TARIFF

FILED AGREEMENTS

of

FAYETTEVILLE EXPRESS PIPELINE LLC

Filed with the

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff
Should be Addressed to:

Shelley A. Corman Vice President Fayetteville Express Pipeline LLC 711 Louisiana Street, Suite 900 Houston, Texas 77002 Telephone: (281) 714-2010 Facsimile: (281) 714-2179

Email: Shelley.Corman@EnergyTransfer.com

FERC NGA GAS TARIFF

FILED AGREEMENTS

<u>of</u>

FAYETTEVILLE EXPRESS PIPELINE LLC

Filed With The

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff Should be Addressed To:

Michael T. Langston
Vice President
Chief Regulatory Officer
Telephone: (713) 989-7610
Facsimile: (713) 989-1205
michael.langston@energytransfer.com

Fayetteville Express Pipeline LLC
P. O. Box 4967
Houston, Texas 77210-4967

1300 Main Street Houston, Texas 77002

FERC NGA Gas Tariff

Filed Agreements

Effective on October 1, 2010 November 1, 2018

(Section 4., Version 01.0.0, Agreement) K 200003 (BP Energy Company) - Assigned

BP Energy Company (Contract No. 200003)

Is assigned to

Riverbend Oil & Gas VIII, LLC (Contract No. 200078)

Effective November 1, 2018

FAYETTEVILLE EXPRESS PIPELINE LLC ("FEP") RATE SCHEDULE FTS

TRANSPORTATION AGREEMENT NO. 200003___ DATED DECEMBER 17, 2009 UNDER SUBPART G OF PART 284 OF THE FERC'S REGULATIONS

1. SHIPPER is: BP Energy Company, a Delaware corporation. Shipper is a "Standard Shipper" on FEP's pipeline system pursuant to the terms of the Open Season held by FEP in connection with the construction of FEP's initial pipeline system.

2. MDQ: 125,000 Dth per Day.

3. TERM: This Transportation Agreement shall be effective from the first day of the calendar month following notice from FEP to Shipper that FEP is ready to provide firm service (the "Effective Date") and shall remain in effect for a Primary Term of ten (10) years from the date of commencement of firm service to Shipper other than Interim Period Service, as that term is defined in FEP's FERC Gas Tariff, as may be revised from time to time ("Tariff"). The term of this Transportation Agreement may be extended following expiration of the Primary Term, in accordance with the provisions of Exhibit C to this Transportation Agreement and any applicable provisions of FEP's Tariff.

4. Service will be ON BEHALF OF:

XX Shipper Other:	
Outer.	, α
5. SHIPPER'S ADDRESS	FEP'S ADDRESS
Notices:	
BP Energy Company Attn: Contract Adminstrator 501 Westlake Park Blvd. Houston TX 77079	Fayetteville Express Pipeline LLC Att: Contract Administration 711 Louisiana, Suite 900 Houston TX 77002
Houston, 174 Trota	Housion, 1A //002

Payments:

Fayetteville Express Pipeline LLC (FIN 26-3485704)
Wachovia Bank, NA
Winston-Salem, NC
ABA: 053000219
Acct: 2000045258682

6. OTHER PROVISIONS:

(a) <u>Notifications</u>. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this Transportation 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 this Transportation Agreement, as may be revised from time to time.

accruing to either FEP or Shipper upon bre	ay or failure to exercise any right or remedy each or default by the other will impair any right of any such breach or default, nor will a waiver f any other breach or default.
(c) No Third Party Beneficiaries. any rights in any third parties, and no provi	This Transportation Agreement shall not create ision of this Transportation Agreement shall be see benefit of, or rights in favor of, any person or
subject to all valid laws, orders, rules and	inderstood that performance hereunder shall be dregulations of duly constituted governmental of the matters related hereto, including without Commission ("FERC").
(e) <u>Effect of Tariff</u> . This Transpor all applicable provisions of FEP's Tariff.	tation Agreement shall at all times be subject to
AND ENFORCEMENT OF THIS TRAD GOVERNED BY THE LAWS OF TH	CONSTRUCTION, INTERPRETATION, NSPORTATION AGREEMENT SHALL BE E STATE OF TEXAS, EXCLUDING ANY WOULD REFER ANY MATTER TO THE THAN THE STATE OF TEXAS.
agreement between FEP and Shipper was supersedes any and all prior understand concerning the subject matter hereof, as agreements are hereby deemed to be was modifications of this Transportation Agreements.	ransportation Agreement contains the entire rith respect to the subject matter hereof, and ings and agreements, whether oral or written, and any and all such prior understandings and oid and of no effect. No amendments to ore ment shall be effective unless agreed upon in a and Shipper which expressly refers to this
Transportation Agreement and is incorpor are incorporated by reference and made a	ns revised from time to time, controls this ated herein. The attached Exhibits A, B, and C part of this Transportation Agreement. Shipper r name(s) to FEP if FEP must provide them to
Agreed to by:	
FAYETTEVILLE EXPRESS PIPELINE LLC ("FEP")	BP ENERGY COMPANY ("SHIPPER")
BY:	BY:
-NAME:	NAME:
TITLE:	TITLE

Fayetteville Express Pipeline LLC

FERC NGA Gas Tariff

Filed Agreements

Effective on October 1, 2010-November 1, 2018

(Section 4.1, Version 01.0.0, 1.) K 200003 — Exh A (BP Energy Company) Reserved

Option Code "A"

EXHIBIT A DATED JUNE 10, 2010 TO

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS

TRANSPORTATION AGREEMENT NO. 200003_ DATED DECEMBER 17, 2009

Company: BP Energy Company

Contract No.: 200003

Receipt Point(s):

PRIMARY RECEIPT POINT(S):

Name / Location	County/Area	State	Point No.	—MDQ —(Dth)
Frontier/Prairie Creek AMG/Center Ridge Frontier/Twin Groves	Conway White Faulkner	AR AR AR	78556 78557 78558	12,500 12,500 25,000
AMG/Little Creek	White	AR	78526	75,000

Except as authorized by the provisions of FEP's Tariff governing segmentation, in no event shall Shipper's aggregate primary receipt point capacity exceed Shipper's corresponding Contract MDQ.

SECONDARY RECEIPT POINT(S):

Shipper shall have rights to secondary receipt points in accordance with the provisions of FEP's Tariff, at the rates and related terms set forth in Exhibit C to this Transportation Agreement.

Receipt Pressure, Assumed Atmospheric Pressure

Gas to be delivered to FEP at the Receipt Point(s) shall be in accordance with Section 18.1 of FEP's General Terms and Conditions, but shall not be in excess of the Maximum Allowable Operating Pressure ("MAOP") stated for each Receipt Point in FEP's Catalog of Points.

Rates

The rates for service under the Transportation Agreement shall be as set forth in the Negotiated Rate Agreement attached as Exhibit C to this Transportation Agreement, consistent with FEP's Tariff.

Fuel Gas, Booster Compression Fuel and Lost and Unaccounted For Gas Reimbursement Percentages (%)

Shipper will reimburse FEP for Fuel Gas, Booster Compression Fuel and Lost and Unaccounted For Gas in accordance with the Negotiated Rate Agreement attached as Exhibit C to this Transportation Agreement, consistent with the provisions of FEP's Tariff.

Fayetteville Express Pipeline LLC

FERC NGA Gas Tariff

Filed Agreements

Effective on October 1, 2010-November 1, 2018

(Section 4.2, Version 01.0.0, 2.) K 200003 — Exh B (BP Energy Company) Reserved

Option Code "A"

EXHIBIT B DATED DECEMBER 17, 2009

TO

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS

TRANSPORTATION AGREEMENT NO. 200003______ DATED DECEMBER 17. 2009

Company: BP Energy Company
- Contract No.: 200003
Delivery Point(s):

PRIMARY DELIVERY POINT(S):

Name / Location	County/Area	State	Point No.	— MDQ — (Dth)
Texas Gas/Lula Trunkline/Panola ANR/Quitman	Coahoma	MS	78523	12,500
	Panola	MS	78525	37,500
	Quitman	MS	78524	75,000

Except as authorized by the provisions of FEP's Tariff governing segmentation, in no event shall Shipper's aggregate primary delivery point capacity exceed Shipper's corresponding Contract MDQ.

2. SECONDARY DELIVERY POINT(S):

Shipper shall have rights to secondary delivery points in accordance with the provisions of FEP's Tariff, at the rates and related terms set forth in Exhibit C to this Transportation Agreement.

Delivery Pressure, Assumed Atmospheric Pressure

Gas to be delivered by FEP to Shipper, or for Shipper's account, at the Delivery Point(s) shall be in accordance with Section 18.2 of FEP's General Terms and Conditions.

Fayetteville Express Pipeline LLC

FERC NGA Gas Tariff

Filed Agreements

Effective on October 1, 2010-November 1, 2018

(Section 4.3, Version 01.0.0, 3.) K 200003 — Exh C (BP Energy Company) Reserved

Option Code "A"

EXHIBIT C

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS

TRANSPORTATION AGREEMENT NO. 200003______
DATED DECEMBER 17, 2009 ______

NEGOTIATED RATE AGREEMENT

This Negotiated Rate Agreement ("Agreement") between Fayetteville Express Pipeline LLC ("FEP") and BP Energy Company ("Shipper"), incorporated as an exhibit to Rate Schedule FTS Transportation Agreement No. 200003_between FEP and Shipper dated December 17, 2009 ("Transportation Agreement"), sets forth the rates and charges for the natural gas transportation service to be provided by FEP to Shipper under the Transportation Agreement ("Negotiated Rates"), subject to the terms and the requirements of the Federal Energy Regulatory Commission ("FERC") pertaining to negotiated rate transactions.

ARTICLE 1 NEGOTIATED RATE PARAMETERS

1.1 Negotiated Rate 1erm. For service provided by FEP to Snipper under the Transportation
Agreement, the Negotiated Rates set forth in this Agreement shall be effective from the
commencement date of any "Interim Period Service", as that term is defined in Section 2.1 below
and in FEP's FERC Gas Tariff, as may be revised from time to time ("Tariff"), and shall remain in
effect through the expiration of the Primary Term of the Transportation Agreement, and thereafter to
the extent provided in Section 4.4 of this Agreement, unless otherwise agreed by FEP and Shipper.
1.2 Primary Term Reservation and Commodity Rates. For service provided by FEP
to Shipper from the Eligible Receipt Points to the Eligible Delivery Points set forth in this
Article 1 during the Primary Term of the Transportation Agreement, Shipper shall pay FEP the
following Fixed Negotiated Monthly Base Reservation Rate and Fixed Negotiated Base
Commodity Rate:
(a) Fixed Negotiated Monthly Base Reservation Rate: \$7.4527/Dth of Shipper's
Transportation Agreement Contract MDQ (equal to \$0.245/Dth per day on a 100% load factor basis).
——————————————————————————————————————
The Fixed Negotiated Monthly Base Reservation Rate and Fixed Negotiated Base Commodity Rate shall remain fixed for the Primary Term of the Transportation Agreement, regardless of

1.3 Eligible Firm Transportation Quantity. 125,000 Dth/day.

any otherwise applicable maximum or minimum rate set forth in FEP's Tariff.

1.4 Eligible Primary Receipt Points. The Negotiated Rates shall apply to service provided to Shipper from the initial Primary Receipt Points set forth in the Transportation Agreement. The Negotiated Rates shall also apply to service provided from any other Primary Receipt Point under the Transportation Agreement, as amended from time to time, which is a receipt point on FEP's initial pipeline system as described in FEP's certificate application as

approved by the FERC in Docket No. CP09-433-000 on December 17, 2009 ("FEP's Initial Pipeline System").

- 1.5 <u>Eligible Secondary Receipt Points</u>. The Negotiated Rates shall apply to service provided to Shipper on a secondary firm basis from all receipt points on FEP's Initial Pipeline System.
- 1.6 Eligible Primary Delivery Points. The Negotiated Rates shall apply to service provided to Shipper to the initial Primary Delivery Points set forth in the Transportation Agreement. The Negotiated Rates shall also apply to service provided to any other Primary Delivery Point under the Transportation Agreement, as amended from time to time, which is a delivery point on FEP's Initial Pipeline System.
- 1.7 <u>Eligible Secondary Delivery Points</u>. The Negotiated Rates shall apply to service provided to Shipper on a secondary firm basis to all delivery points on FEP's Initial Pipeline System.

ARTICLE 2 INTERIM PERIOD SERVICE

- 21 <u>Interim Period Service Defined</u>. Interim Period Service, as more particularly described in FEP's Tariff, shall mean any service which may be provided by FEP to Shipper under the Transportation Agreement to the Natural Gas Pipeline Company of America ("NGPL") interconnect in White County, Arkansas ("NGPL Interconnect"), or to any other delivery point, prior to the time that all facilities certificated in Docket No. CP09-433-000 are placed into service.
- 2.2 Interim Period Service Availability. For any period during which FEP has made Interim Period Service available on its pipeline system, Shipper shall have the right, but not the obligation, to receive such service under the Transportation Agreement on an interim basis, in accordance with FEP's Tariff and this Agreement, provided that Shipper tenders gas to FEP at Shipper's receipt points under the Transportation Agreement at sufficient pressure to allow FEP to deliver the gas received from Shipper to the NGPL Interconnect, and to any other delivery points which may be available to Shipper during Interim Period Service. FEP shall provide Shipper with ten (10) business days prior written notice of the availability of any Interim Period Service for each month during which such Interim Period Service is available. Shipper shall then have five (5) business days prior to the beginning of the relevant month to notify FEP in writing of the quantity of Contract MDQ, if any, and the specific transportation path, to which Shipper desires the Interim Period Service to apply during such month. If insufficient capacity exists during any month to satisfy all Interim Period Service shippers' requests for capacity for such month, then FEP shall prorate the amount of capacity available to each shipper for such month based on each shipper's relevant contract MDQ and notify Shipper in writing of the amount of Shipper's Interim Period Service no later than three (3) business days prior to the first day of the applicable calendar month. The rates specified in Section 2.3 below shall also apply to interruptible transportation, if available during such Interim Period Service period, scheduled on behalf of Shipper for volumes equal to the difference between (a) the Contract MDQ, and (b) the level of Interim Service allocated to Shipper on any day.
- 2.3 Interim Period Service Reservation and Commodity Rates. For any Interim Period Service which may be provided by FEP to Shipper under the Transportation Agreement, Shipper shall pay FEP the following negotiated base reservation and commodity rates:
- (a) Fixed Negotiated Monthly Base Reservation Rates.

- (i) Service to NGPL Interconnect. For any Interim Period Service provided to Shipper to the NGPL Interconnect, Shipper shall pay FEP a Fixed Negotiated Monthly Base Reservation Rate of \$3.0417/Dth of Contract MDQ (equal to \$0.10/Dth per day on a 100% load factor basis), applied to the portion of the Contract MDQ awarded in any month to Shipper for service to the NGPL Interconnect.
- (ii) Service to Other Delivery Points. For any Interim Period Service provided to Shipper to any delivery point other than the NGPL Interconnect, Shipper shall pay FEP a Fixed Negotiated Monthly Base Reservation Rate of \$7.4527/Dth of Contract MDQ (equal to \$0.245/Dth per day on a 100% load factor basis), applied to the portion of the Contract MDQ awarded in any month to Shipper for Interim Period Service to all delivery points other than the NGPL Interconnect.
- (b) Fixed Negotiated Base Commodity Rate. For any Interim Period Service provided to Shipper to any delivery point, Shipper shall pay FEP a Fixed Negotiated Base Commodity Rate of \$0.00 per Dth.

ARTICLE 3 NEGOTIATED RATE TERMS AND CONDITIONS; ADDITIONAL RATES AND CHARGES

- Reservation Rates and Negotiated Base Commodity Rates set forth in this Exhibit C shall apply only to: (i) service provided to Shipper by FEP under the Transportation Agreement from the Eligible Receipt Points to the Eligible Delivery Points during the term of Interim Period Serviceand/or the Primary Term, as applicable; and (ii) an aggregate maximum daily firm transportation quantity equal to the Eligible Firm Transportation Quantity set forth in Section 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 Shipper's applicable Negotiated Monthly Base Reservation Rates and Negotiated Base Commodity Rates; and (b) the 100% load factor daily rate equivalent of the applicable maximum base reservation and base commodity rates set forth in FEP's Tariff, as well as all applicable additional rates, charges and surcharges described in Section 3.3 below.
- 3.2 <u>Surcharges</u>. For all service provided under the Transportation Agreement, Shipper shall pay FEP the ACA surcharge, and any and all such additional reservation and/or commodity surcharges which may be approved by the FERC from time to time for inclusion in FEP's Tariff; provided, however, that FEP shall discount any such additional surcharges to the maximum extent permitted under the provisions of FEP's Tariff. Shipper shall pay FEP that portion of such surcharge, if any, which FEP is not permitted to discount.
- 3.3 Additional Rates and Charges. In addition to the Fixed Negotiated Monthly Base Reservation Rates, Fixed Negotiated Commodity Rates, and Surcharges set forth above which are applicable to Interim Period Service, if any, and service provided to Shipper under the Transportation Agreement during the Primary Term, and unless otherwise expressly provided in this Agreement or agreed to in writing by FEP, Shipper shall also pay FEP all other applicable maximum rates, charges, surcharges, and penalties of any nature set forth in FEP's Tariff, including without limitation all applicable maximum: (i) Fuel Gas, Lost and Unaccounted For Gas, and Booster Compression Fuel charges; and (ii) authorized and unauthorized overrun charges.

ARTICLE 4 MISCELLANEOUS PROVISIONS

- 4.1 <u>Applicable Maximum and Minimum Tariff Rates</u>. Unless otherwise expressly provided in this Agreement, the Negotiated Rates shall apply to service provided by FEP to Shipper for the term of the Transportation Agreement, notwithstanding any otherwise applicable maximum or minimum rates set forth in FEP's Tariff, as may be revised from time to time.
- 4.2 <u>Refunds</u>. In no event shall FEP 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 FEP's Tariff.
- 4.3 <u>Conformance to Law</u>. Shipper and FEP understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under FEP's Tariff and the regulations and policies of the FERC, including without limitation any requirements for FEP to file for and receive FERC approval of the Negotiated Rates.
- 4.4 Rollover and ROFR Rights. Shipper shall have the unilateral right to extend the initial and any subsequent term of the Transportation Agreement beyond the Primary Term for all or any portion of the existing Contract MDQ: (i) for a minimum term of five (5) years, at the Fixed Negotiated Monthly Base Reservation Rate and the Fixed Negotiated Base Commodity Rate set forth in Section 1.2 of this Agreement (collectively, the "Initial Rates"), or at negotiated rates equal to all applicable then existing maximum recourse rates; or (ii) for a term of one (1) year, at Shipper's Initial Rates (collectively, the "Rollover Right"). Shipper may exercise the Rollover Right by the provision of twelve months' prior written notice to FEP prior to the end of the Primary Term or any subsequent extended term. Shipper may also exercise its Rollover Right with regard to capacity for which Shipper has previously exercised its Rollover Right or its contractual right-of-first-refusal. Shipper shall also have a contractual right-of-first-refusal to retain capacity under the Transportation Agreement, upon expiration of the Primary Term and any subsequent term which is equal to or greater than one (1) year, in the event that Shipper elects not to exercise any applicable Rollover Right with respect to such capacity. Such contractual right-of-first-refusal shall be exercisable in accordance with the procedures set forth in the Tariff. Shipper's exercise of any of its term extension rights under this Section 4.4 shall not affect in any manner Shipper's right at any later date to exercise any other term extension right hereunder. Shipper may exercise any of its term extension rights under this Section 4.4 an unlimited number of times.
- 4.5 <u>Creditworthiness</u>. Shipper at all times must maintain such creditworthiness (or provide credit support) as is required under this Section 4.5.
- (a) Shipper will be deemed creditworthy if (i) the long term unsecured credit rating of Shipper, or of a corporate parent of Shipper from which there is a then-effective irrevocable guaranty in a form satisfactory to FEP and in an amount equal to thirty months of reservation fees and commodity fees based on the Contract MDQ ("Parent Guarantor"), is at least BBB- by Standard & Poor's Corporation ("S&P") and at least Baa3 by Moody's Investor Service ("Moody's"), without being qualified by or subject to a ratings action indicating a negative short-term or long-term outlook; and (ii) the sum of reservation fees, commodity fees and any other associated fees and charges for the contract term is less than 20% of Shipper's or its Parent Guarantor's, as applicable, tangible net worth. The term "tangible net worth" shall mean for a corporation the sum of the capital stock, paid in capital in excess of par or stated value, and other free and clear equity reserve accounts less goodwill, patents, unamortized loan costs or restructuring costs, and other intangible assets. Only actual tangible assets are included in FEP's assessment of creditworthiness. In comparing the overall value of a shipper's contract to tangible net worth for credit evaluation purposes, FEP will compare the net present value of the demand or reservation charge obligations

under such contracts to Shipper's current tangible net worth. If Shipper has multiple service agreements with FEP, then the total potential fees and charges of all such service agreements shall be considered in determining creditworthiness.

(b) If Shipper does not meet the criteria described above, then Shipper shall deliver to FEP an irrevocable guaranty of payment from Parent Guarantor as described in Section 4.5(a) above. If, subsequent to the date of execution of the Transportation Agreement, Shipper or Shipper's Parent Guarantor, as applicable, cannot satisfy the creditworthiness requirements stated in Section 4.5(a), Shipper will be considered creditworthy if Shipper maintains and delivers to FEP an irrevocable guaranty of payment from a Parent Guarantor that can satisfy the creditworthiness requirements stated in Section 4.5(a) or an irrevocable letter of credit from a financial institution rated at least A- by S&P or at least A3 by Moody's, in a form acceptable to FEP, in either case of the Guaranty or the letter of credit in an amount equal to thirty months of reservation fees and commodity fees. The obligation to maintain such credit assurance shall extend until such time as Shipper is creditworthy as defined herein and thereafter when and if Shipper ceases to be creditworthy. Shipper shall provide the Guaranty or the letter of credit within twenty (20) days of written notice by FEP.

(c) The creditworthiness and Credit Support requirements set forth in this Section 4.5 shall apply to any assignment (in whole or in part) of, and to any permitted permanent release of capacity under, as applicable, the Transportation Agreement for the term of the Transportation Agreement. FEP shall apply consistent evaluation practices to all similarly situated shippers to determine the shipper's financial ability to perform the payment obligations due to FEP over the term of the requested or existing service agreement.

^{4.6 &}lt;u>Succession and Assignment</u>. At any time prior to the Effective Date of the Transportation Agreement, Shipper may wholly assign the Transportation Agreement to any affiliated third party at any time, subject to any such assignee's compliance with the creditworthiness requirements set forth in Section 4.5 above. As of the Effective Date of the Transportation Agreement, the Transportation Agreement may only be assigned in accordance with the express provisions of FEP's Tariff, including the permanent capacity release provisions of FEP's Tariff. No assignment of the Transportation Agreement, nor any permanent or temporary release of capacity under the Transportation Agreement, will transfer any special rights which apply to Shipper under the terms of this Agreement, other than an assignment in whole of the Transportation Agreement. To the extent that Shipper at any time permanently releases all or any portion of its capacity under the Transportation Agreement, at a rate greater than the rate paid by Shipper for such permanently released capacity, no portion of any such greater rate shall be credited to or otherwise received by Shipper, but shall instead be retained in whole by FEP.

Executed Service Agreement Riverbend Oil & Gas VIII, LLC Contract No. 200078

Compared to BP Energy Company (Releasing Shipper) Contract No. 200003

FAYETTEVILLE EXPRESS PIPELINE LLC ("FEP") RATE SCHEDULE FTS

TRANSPORTATION AGREEMENT NO. 200003200078

DATED DECEMBER 17, 2009 NOVEMBER 1, 2018

UNDER SUBPART G OF PART 284 OF THE FERC'S REGULATIONS

- 1. SHIPPER is: BP Energy CompanyRiverbend Oil & Gas VIII, LLC, a Delaware corporation. Shipper is a "Standard Shipper" on FEP's pipeline system pursuant to the terms of the Open Season held by FEP in connection with the construction of FEP's initial pipeline system.
- 2. MDQ: 125,000 Dth per Day.
- 3. TERM: This Transportation Agreement shall be effective—from the first day of the calendar month following notice from FEP to Shipper that FEP is ready to provide firm service on November 1, 2018 (the "Effective Date") and shall remain in effect for a Primary Term of ten (10) years from the date of commencement of firm service to Shipper other than Interim Period Service, as that term is defined in FEP's FERC Gas Tariff, as may be revised from time to time ("Tariff"). will continue through December 31, 2020 (the "Primary Term"). The term of this Transportation Agreement may be extended following expiration of the Primary Term, in accordance with the provisions of Exhibit C to this Transportation Agreement and any applicable provisions of FEP's Tariff.
- 4. Service will be ON BEHALF OF:

4. Service will be ON BEHALF OF:	
XX Shipper Other:	, a
5. SHIPPER'S ADDRESS	FEP'S ADDRESS
Notices:	
BP Energy Company Attn: Contract Adminstrator 501 Westlake Park Blvd. Houston, TX 77079	Fayetteville Express Pipeline LLC Att: Contract Administration 711 Louisiana, Suite 900 Houston, TX 77002
	Payments:
	Fayetteville Express Pipeline LLC (FIN 26-3485704)
	Wachovia Bank, NA
	Winston-Salem, NC
	ABA: 053000219
	Acet: 2000045258682
Riverbend Oil & Gas VIII, LLC	Fayetteville Express Pipeline LLC Attn: Contract Administration
500 Dallas St., Suite 1250	
Houston, TX 77002	1300 Main Street
Attn: Thomas Galloway	Houston, TX 77002
tgalloway@rboil.com	Payments:
	Fayetteville Express Pipeline LLC

Wells Fargo Bank, NA
ABA No. Wire: 121000248
ABA No. ACH: 05310156
Acct: 2000045258682

6. OTHER PROVISIONS:

- (a) <u>Notifications</u>. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this Transportation 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 this Transportation Agreement, as may be revised from time to time.
- (b) <u>Nonwaiver of Rights</u>. No delay or failure to exercise any right or remedy accruing to either FEP 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.
- (c) No Third Party Beneficiaries. This Transportation Agreement shall not create any rights in any third parties, and no provision of this Transportation Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than FEP or Shipper.
- (d) <u>Conformance to Law</u>. 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 ("FERC").
- (e) <u>Effect of Tariff</u>. This Transportation Agreement shall at all times be subject to all applicable provisions of FEP's Tariff.
- (f) GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS TRANSPORTATION 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.
- (g) Entire Agreement. This Transportation Agreement contains the entire agreement between FEP 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 Transportation Agreement shall be effective unless agreed upon in a written instrument executed by FEP and Shipper which expressly refers to this Transportation Agreement.
- 7. The above-stated Rate Schedule, as revised from time to time, controls this Transportation Agreement and is incorporated herein. The attached Exhibits A, B, and C are incorporated by reference and made a part of this Transportation Agreement. Shipper shall provide the actual end user purchaser name(s) to FEP if FEP must provide them to the FERC.

Agreed to by:

PIPELINE LLC ("FEP")	("SHIPPER")	
BY:	BY:	
NAME:	NAME:	
TITLE:	TITLE:	

EXHIBIT A

DATED JUNE 10, 2010 NOVEMBER 1, 2018

TO

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS

TRANSPORTATION AGREEMENT NO. 200003________ DATED DECEMBER 17, 2009 NOVEMBER 1, 2018

Company: BP Energy Company Riverbend Oil & Gas VIII, LLC

Contract No.: 200003200078

Receipt Point(s):

PRIMARY RECEIPT POINT(S):

Effective from: The Effective Date through: 12/31/2020

Name / Location	County/Area	State	Point No.	MDQ (Dth)
Frontier/Prairie Creek	Conway	AR	78556	12,500
AMG/Center Ridge	White	AR	78557	12,500
Frontier/Twin Groves	Faulkner	AR	78558	25,000
AMG/Little Creek	White	AR	78526	75,000
Crestwood Woolly Hollow	Faulkner	AR	78560	2,000
SWN/New Quitman	Faulkner	AR	78517	15,000
BHP/Little Creek	White	AR	78526	25,000
BHP/Center Ridge	White	AR	78557	0
SWN/Cove Creek	Faulkner	AR	78514	12,750
Crestwood Twin Grove	Faulkner	AR	78558	12,500
Crestwood Prairie Creek	Conway	AR	78556	43,750
SWN/Tiger	White	AR	78521	10,000
SWN/Midge #2	White	AR	78520	4,000

Except as authorized by the provisions of FEP's Tariff governing segmentation, in no event shall Shipper's aggregate primary receipt point capacity exceed Shipper's corresponding Contract MDQ.

SECONDARY RECEIPT POINT(S):

Shipper shall have rights to secondary receipt points in accordance with the provisions of FEP's Tariff, at the rates and related terms set forth in Exhibit C to this Transportation Agreement.

Receipt Pressure, Assumed Atmospheric Pressure

Gas to be delivered to FEP at the Receipt Point(s) shall be in accordance with Section 18.1 of FEP's General Terms and Conditions, but shall not be in excess of the Maximum Allowable Operating Pressure ("MAOP") stated for each Receipt Point in FEP's Catalog of Points.

Rates

The rates for service under the Transportation Agreement shall be as set forth in the Negotiated Rate Agreement attached as Exhibit C to this Transportation Agreement, consistent with FEP's Tariff.

Fuel Gas, Booster Compression Fuel and Lost and Unaccounted For Gas Reimbursement Percentages (%)

Shipper will reimburse FEP for Fuel Gas, Booster Compression Fuel and Lost and Unaccounted For Gas in accordance with the Negotiated Rate Agreement attached as Exhibit C to this Transportation Agreement, consistent with the provisions of FEP's Tariff.

EXHIBIT B

DATED DECEMBER 17, 2009 NOVEMBER 1, 2018

TO

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS

TRANSPORTATION AGREEMENT NO. DATED DECEMBER 17, 2009 NOVEMBER 1, 2018

Company: BP Energy Company Riverbend Oil & Gas VIII, LLC

Contract No.: 200003200078

Delivery Point(s):

PRIMARY DELIVERY POINT(S):

Effective from: The Effective Date through: 12/31/2020

Name / Location	County/Area	State	Point No.	MDQ (Dth)
Texas Gas/Lula	Coahoma	MS	78523	12 <u>37</u> ,500
Trunkline/Panola	Panola	MS	78525	37,500
ANR/Quitman	Quitman	MS	78524	75 <u>50</u> ,000

Except as authorized by the provisions of FEP's Tariff governing segmentation, in no event shall Shipper's aggregate primary delivery point capacity exceed Shipper's corresponding Contract MDQ.

2. SECONDARY DELIVERY POINT(S):

Shipper shall have rights to secondary delivery points in accordance with the provisions of FEP's Tariff, at the rates and related terms set forth in Exhibit C to this Transportation Agreement.

Delivery Pressure, Assumed Atmospheric Pressure

Gas to be delivered by FEP to Shipper, or for Shipper's account, at the Delivery Point(s) shall be in accordance with Section 18.2 of FEP's General Terms and Conditions.

EXHIBIT C TO

FAYETTEVILLE EXPRESS PIPELINE LLC RATE SCHEDULE FTS

TRANSPORTATION AGREEMENT NO. 200003200078
DATED DECEMBER 17, 2009 NOVEMBER 1, 2018—

NEGOTIATED RATE AGREEMENT

This Negotiated Rate Agreement ("Agreement") between Fayetteville Express Pipeline LLC ("FEP") and BP Energy Company Riverbend Oil & Gas VIII, LLC ("Shipper"), incorporated as an exhibit to Rate Schedule FTS Transportation Agreement No. 200003200078 between FEP and Shipper dated December 17, 2009 November 1, 2018 ("Transportation Agreement"), sets forth the rates and charges for the natural gas transportation service to be provided by FEP to Shipper under the Transportation Agreement ("Negotiated Rates"), subject to the terms and the requirements of the Federal Energy Regulatory Commission ("FERC") pertaining to negotiated rate transactions.

ARTICLE 1 NEGOTIATED RATE PARAMETERS

- 1.1 <u>Negotiated Rate Term</u>. For service provided by FEP to Shipper under the Transportation Agreement, the Negotiated Rates set forth in this Agreement shall be effective from the commencement date of any "Interim Period Service", as that term is defined in Section 2.1 below and in FEP's FERC Gas Tariff, as may be revised from time to time ("Tariff"), Effective Date and shall remain in effect through the expiration of the Primary Term of the Transportation Agreement, and thereafter to the extent provided in Section-43.4 of this Agreement, unless otherwise agreed by FEP and Shipper.
- 1.2 <u>Primary Term Reservation and Commodity Rates</u>. For service provided by FEP to Shipper from the Eligible Receipt Points to the Eligible Delivery Points set forth in this Article 1 during the Primary Term of the Transportation Agreement, Shipper shall pay FEP the following Fixed Negotiated Monthly Base Reservation Rate and Fixed Negotiated Base Commodity Rate:
- (a) <u>Fixed Negotiated Monthly Base Reservation Rate</u>: \$7.4527/Dth of Shipper's Transportation Agreement Contract MDQ (equal to \$0.245/Dth per day on a 100% load factor basis).
 - (b) Fixed Negotiated Base Commodity Rate: \$0.00/Dth.

The Fixed Negotiated Monthly Base Reservation Rate and Fixed Negotiated Base Commodity Rate shall remain fixed for the Primary Term of the Transportation Agreement, regardless of any otherwise applicable maximum or minimum rate set forth in FEP's Tariff.

- 1.3 Eligible Firm Transportation Quantity. 125,000 Dth/day.
- 1.4 <u>Eligible Primary Receipt Points</u>. The Negotiated Rates shall apply to service provided to Shipper from the initial Primary Receipt Points set forth in the Transportation Agreement. The Negotiated Rates shall also apply to service provided from any other Primary Receipt Point under the Transportation Agreement, as amended from time to time, which is a receipt point on FEP's initial pipeline system as described in FEP's certificate application as

approved by the FERC in Docket No. CP09-433-000 on December 17, 2009 ("FEP's Initial Pipeline System").

- 1.5 <u>Eligible Secondary Receipt Points</u>. The Negotiated Rates shall apply to service provided to Shipper on a secondary firm basis from all receipt points on FEP's Initial Pipeline System.
- 1.6 <u>Eligible Primary Delivery Points</u>. The Negotiated Rates shall apply to service provided to Shipper to the initial Primary Delivery Points set forth in the Transportation Agreement. The Negotiated Rates shall also apply to service provided to any other Primary Delivery Point under the Transportation Agreement, as amended from time to time, which is a delivery point on FEP's Initial Pipeline System.
- 1.7 <u>Eligible Secondary Delivery Points</u>. The Negotiated Rates shall apply to service provided to Shipper on a secondary firm basis to all delivery points on FEP's Initial Pipeline System.

ARTICLE 2 INTERIM PERIOD SERVICE

- 2.1 <u>Interim Period Service Defined</u>. Interim Period Service, as more particularly described in FEP's Tariff, shall mean any service which may be provided by FEP to Shipper under the Transportation Agreement to the Natural Gas Pipeline Company of America ("NGPL") interconnect in White County, Arkansas ("NGPL Interconnect"), or to any other delivery point, prior to the time that all facilities certificated in Docket No. CP09-433-000 are placed into service.
- 2.2 Interim Period Service Availability. For any period during which FEP has made Interim Period Service available on its pipeline system, Shipper shall have the right, but not the obligation, to receive such service under the Transportation Agreement on an interim basis, in accordance with FEP's Tariff and this Agreement, provided that Shipper tenders gas to FEP at Shipper's receipt points under the Transportation Agreement at sufficient pressure to allow FEP to deliver the gas received from Shipper to the NGPL Interconnect, and to any other delivery points which may be available to Shipper during Interim Period Service. FEP shall provide Shipper with ten (10) business days prior written notice of the availability of any Interim Period Service for each month during which such Interim Period Service is available. Shipper shall then have five (5) business days prior to the beginning of the relevant month to notify FEP in writing of the quantity of Contract MDQ, if any, and the specific transportation path, to which Shipper desires the Interim Period Service to apply during such month. If insufficient capacity exists during any month to satisfy all Interim Period Service shippers' requests for capacity for such month, then FEP shall prorate the amount of capacity available to each shipper for such month based on each shipper's relevant contract MDQ and notify Shipper in writing of the amount of Shipper's Interim Period Service no later than three (3) business days prior to the first day of the applicable calendar month. The rates specified in Section 2.3 below shall also apply to interruptible transportation, if available during such Interim Period Service period, scheduled on behalf of Shipper for volumes equal to the difference between (a) the Contract MDQ, and (b) the level of Interim Service allocated to Shipper on any day.
- 2.3 Interim Period Service Reservation and Commodity Rates. For any Interim Period Service which may be provided by FEP to Shipper under the Transportation Agreement, Shipper shall pay FEP the following negotiated base reservation and commodity rates:

(i) Service to NGPL Interconnect. For any Interim Period Service provided to Shipper to the NGPL Interconnect, Shipper shall pay FEP a Fixed Negotiated Monthly Base Reservation Rate of \$3.0417/Dth of Contract MDQ (equal to \$0.10/Dth per day on a 100% load factor basis), applied to the portion of the Contract MDQ awarded in any month to Shipper for service to the NGPL Interconnect.

(ii) Service to Other Delivery Points. For any Interim Period Service provided to Shipper to any delivery point other than the NGPL Interconnect, Shipper shall pay FEP a Fixed Negotiated Monthly Base Reservation Rate of \$7.4527/Dth of Contract MDQ (equal to \$0.245/Dth per day on a 100% load factor basis), applied to the portion of the Contract MDQ awarded in any month to Shipper for Interim Period Service to all delivery points other than the NGPL Interconnect.

(b) Fixed Negotiated Base Commodity Rate. For any Interim Period Service provided to Shipper to any delivery point, Shipper shall pay FEP a Fixed Negotiated Base Commodity Rate of \$0.00 per Dth.

ARTICLE 32 NEGOTIATED RATE TERMS AND CONDITIONS; ADDITIONAL RATES AND CHARGES

- **General Negotiated Rate Limitations.** The Negotiated Monthly Base Reservation Rates and Negotiated Base Commodity Rates set forth in this Exhibit C shall apply only to: (i) service provided to Shipper by FEP under the Transportation Agreement from the Eligible Receipt Points to the Eligible Delivery Points during the term of Interim Period Serviceand/or the Primary Term, as applicable; and (ii) an aggregate maximum daily firm transportation quantity equal to the Eligible Firm Transportation Quantity set forth in Section 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 Shipper's applicable Negotiated Monthly Base Reservation Rates and Negotiated Base Commodity Rates; and (b) the 100% load factor daily rate equivalent of the applicable maximum base reservation and base commodity rates set forth in FEP's Tariff, as well as all applicable additional rates, charges and surcharges described in Section 32.3 below.
- 32.2 <u>Surcharges</u>. For all service provided under the Transportation Agreement, Shipper shall pay FEP the ACA surcharge, and any and all such additional reservation and/or commodity surcharges which may be approved by the FERC from time to time for inclusion in FEP's Tariff; provided, however, that FEP shall discount any such additional surcharges to the maximum extent permitted under the provisions of FEP's Tariff. Shipper shall pay FEP that portion of such surcharge, if any, which FEP is not permitted to discount.
- 32.3 <u>Additional Rates and Charges</u>. In addition to the Fixed Negotiated Monthly Base Reservation Rates, Fixed Negotiated Commodity Rates, and Surcharges set forth above which are applicable to <u>Interim Period Service</u>, <u>if any, and</u> service provided to Shipper under the Transportation Agreement during the Primary Term, and unless otherwise expressly provided in this Agreement or agreed to in writing by FEP, Shipper shall also pay FEP all other applicable maximum rates, charges, surcharges, and penalties of any nature set forth in FEP's Tariff, including without limitation all applicable maximum: (i) Fuel Gas, Lost and Unaccounted For Gas, and Booster Compression Fuel charges; and (ii) authorized and unauthorized overrun charges.

ARTICLE 43 MISCELLANEOUS PROVISIONS

- 43.1 <u>Applicable Maximum and Minimum Tariff Rates</u>. Unless otherwise expressly provided in this Agreement, the Negotiated Rates shall apply to service provided by FEP to Shipper for the term of the Transportation Agreement, notwithstanding any otherwise applicable maximum or minimum rates set forth in FEP's Tariff, as may be revised from time to time.
- 43.2 **Refunds.** In no event shall FEP 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 FEP's Tariff.
- 43.3 <u>Conformance to Law</u>. Shipper and FEP understand and agree that this Agreement shall be subject to any and all applicable conditions precedent under FEP's Tariff and the regulations and policies of the FERC, including without limitation any requirements for FEP to file for and receive FERC approval of the Negotiated Rates.
- Rollover and ROFR Rights. Shipper shall have the unilateral right to extend the initial and any subsequent term of the Transportation Agreement beyond the Primary Term for all or any portion of the existing Contract MDQ: (i) for a minimum term of five (5) years, at the Fixed Negotiated Monthly Base Reservation Rate and the Fixed Negotiated Base Commodity Rate set forth in Section 1.2 of this Agreement (collectively, the "Initial Rates"), or at negotiated rates equal to all applicable then-existing maximum recourse rates; or (ii) for a term of one (1) year, at Shipper's Initial Rates (collectively, the "Rollover Right"). Shipper may exercise the Rollover Right by the provision of twelve months' prior written notice to FEP prior to the end of the Primary Term or any subsequent extended term. Shipper may also exercise its Rollover Right with regard to capacity for which Shipper has previously exercised its Rollover Right or its contractual right-of-first-refusal. Shipper shall also have a contractual right-of-firstrefusal to retain capacity under the Transportation Agreement, upon expiration of the Primary Term and any subsequent term which is equal to or greater than one (1) year, in the event that Shipper elects not to exercise any applicable Rollover Right with respect to such capacity. Such contractual right-of-first-refusal shall be exercisable in accordance with the procedures set forth in the Tariff. Shipper's exercise of any of its term extension rights under this Section 43.4 shall not affect in any manner Shipper's right at any later date to exercise any other term extension right hereunder. Shipper may exercise any of its term extension rights under this Section 4.34 an unlimited number of times.
- $4\underline{3}.5$ <u>Creditworthiness</u>. Shipper at all times must maintain such creditworthiness (or provide credit support) as is required under this Section $4\underline{3}.5$.
- (a) Shipper will be deemed creditworthy if (i) the long-term unsecured credit rating of Shipper, or of a corporate parent of Shipper ("Parent Guarantor") from which there is a theneffective irrevocable guaranty in a form satisfactory to FEP and in an amount equal to twenty-seven (27)thirty months of reservation fees and commodity fees based on the Contract MDQ ("Parent Guarantor"), is at least BBB- by Standard & Poor's Corporation ("S&P") and at least Baa3 by Moody's Investors Service, Inc. ("Moody's"), without being qualified by or subject to a ratings action indicating a negative short-term or long-term outlook; and (ii) the sum of reservation fees, commodity fees and any other associated fees and charges for the contract term is less than 20% of Shipper's or its Parent Guarantor's, as applicable, tangible net worth. The term "tangible net worth" shall mean for a corporation the sum of the capital stock, paid-in capital in excess of par or stated value, and other free and clear equity reserve accounts less goodwill, patents, unamortized loan costs

or restructuring costs, and other intangible assets. Only actual tangible assets are included in FEP's assessment of creditworthiness. In comparing the overall value of a shipper's contract to tangible net worth for credit evaluation purposes, FEP will compare the net present value of the demand or reservation charge obligations under such contracts to Shipper's current tangible net worth. If Shipper has multiple service agreements with FEP, then the total potential fees and charges of all such service agreements shall be considered in determining creditworthiness.

- _(b) If Shipper does not meet the criteria described above, then Shipper shall deliver to FEP an irrevocable guaranty of payment from Parent Guarantor as described in Section 4.5(a) above. If, subsequent to the date of execution of the Transportation Agreement, Shipper or Shipper's Parent Guarantor, as applicable, cannot satisfy the creditworthiness requirements stated in Section 4.5(a), Shipper will be considered creditworthy if Shipper maintains and delivers to FEP an irrevocable guaranty of payment from a Parent Guarantor that can satisfy the creditworthiness requirements stated in Section 4.5(a) or an irrevocable letter of credit from a financial institution rated at least A- by S&P or at least A3 by Moody's, in a form acceptable to FEP, in either case of the Guaranty or the letter of credit in an amount equal to thirty months of reservation fees and commodity fees. The obligation to maintain such credit assurance shall extend until such time as Shipper is creditworthy as defined herein and thereafter when and if Shipper ceases to be creditworthy. Shipper shall provide the Guaranty or the letter of credit within twenty (20) days of written notice by FEP.
- (b) If Shipper does not meet the creditworthiness requirements of FEP, then Shipper shall thereafter maintain a cash deposit, irrevocable standby letter of credit that is in a form and from a bank acceptable to FEP, in FEP's sole judgment, or other form of credit support acceptable to FEP in FEP's sole judgment, in any case securing the full and faithful performance and payment of all of Shipper's obligations under the Transportation Agreement ("Credit Support"), equal to the total aggregate dollar value of twenty-seven (27) months of reservation charges due from shipper for the Contract MDQ under the Transportation Agreement. The Credit Support shall be issued and maintained by Shipper for the benefit of FEP throughout the term of the Transportation Agreement, as may be extended from time to time.
- (c) At any time while the Transportation Agreement is effective, if FEP determines that, as of such time any bank or other institution providing or ensuring Credit Support in FEP's favor in accordance with section 3.5(b) above is no longer acceptable to FEP, then FEP may submit a written notice of such determination to Shipper (which notice shall provide FEP's basis for such determination), and within five (5) business days after Shipper's receipt of such notice from FEP, Shipper shall deliver to FEP, and shall thereafter maintain, alternative Credit Support in accordance with section 3.5(b) above.
- (d) Other than cash, any Credit Support that is provided to FEP pursuant to section 3.5(b) shall permit partial draws and shall have an expiry date no sooner than twelve (12) calendar months after issuance thereof. Shipper shall furnish extension or replacement of such Credit Support sixty (60) days prior to the expiration thereof, from time to time until the expiration of the FTS Agreement. All extensions, amendments and replacement of any of Shipper's Credit Support shall be delivered to FEP in the form of such outstanding Credit Support, or in a form otherwise satisfactory to FEP. FEP shall have the right to draw against any outstanding Credit Support upon: (i) failure to make payment when due under the Transportation Agreement; or (ii) the failure or refusal of Shipper to deliver any applicable extension, amendment or replacement of an outstanding Credit Support as provided herein. In the event of draw in accordance with clause (i) of the preceding sentence, the proceeds of such draw shall be applied against any costs, expenses or damages incurred by FEP. In the event of a draw in accordance with clause (ii), which draw may be in whole or part, the proceeds of the draw shall be retained by FEP until FEP receives a replacement shipper's Credit Support or until FEP does in fact incur any costs, expenses or damages as a result of a breach by Shipper of any of its obligations under the FTS Agreement (in which event, such monies shall be applied against same). If drawn in part or in whole, Shipper shall immediately thereafter provide a replacement shipper's Credit Support in an amount equal to the amount drawn by FEP. Any draw made by FEP under an outstanding Credit Support shall not relieve Shipper of any

liabilities, deficiencies, costs, expense or damages beyond what is drawn under the Credit Support. Shipper's Credit Support (representing any undrawn portion thereof), to the extent it still remains of any Credit Support in the form of cash deposit held by FEP shall be returned to Shipper on or before the thirtieth (30th) day after the later to occur of (i) the date on which the Transportation Agreement has terminated or expired and (ii) the date on which all of Shippers performance and payment obligations under the Transportation Agreement (including, without limitation, any damages arising from the Transportation Agreement) have been fulfilled.

- (ee) The creditworthiness and Credit Support requirements set forth in this Section 43.5 shall apply to any assignment (in whole or in part) of, and to any permitted permanent release of capacity under, as applicable, the Transportation Agreement for the term of the Transportation Agreement. FEP shall apply consistent evaluation practices to all similarly situated shippers to determine the shipper's financial ability to perform the payment obligations due to FEP over the term of the requested or existing service agreement.
- 43.6 Succession and Assignment. At any time prior to the Effective Date of the Transportation Agreement, Shipper may wholly assign the Transportation Agreement to any affiliated third party at any time, subject to any such assignee's compliance with the creditworthiness requirements set forth in Section 4.5 above. As of the Effective Date of the Transportation Agreement, the Transportation Agreement may only be assigned in accordance with the express provisions of FEP's Tariff, including the permanent capacity release provisions of FEP's Tariff. No assignment of the Transportation Agreement, nor any permanent or temporary release of capacity under the Transportation Agreement, will transfer any special rights which apply to Shipper under the terms of this Agreement, other than an assignment in whole of the Transportation Agreement. To the extent that Shipper at any time permanently releases all or any portion of its capacity under the Transportation Agreement, at a rate greater than the rate paid by Shipper for such permanently released capacity, no portion of any such greater rate shall be credited to or otherwise received by Shipper, but shall instead be retained in whole by FEP.