

**RAVEN GATHERING SYSTEM LLC**

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**MAR 14 2016**

**TEXAS RAILROAD COMMISSION TARIFF**

**GAS SERVICES DIVISION  
AUSTIN, TEXAS**

**CONTAINING RATES, RULES, AND REGULATIONS**

**FOR**

**THE INTRASTATE GATHERING AND TRANSPORTATION OF CRUDE OIL**

**BETWEEN POINTS WITHIN THE STATE OF TEXAS**

**ON**

**RAVEN CRUDE OIL PIPELINE**

**EFFECTIVE: MARCH 15, 2016**

**FILED WITH THE COMMISSION ON: MARCH 14, 2016**

Issued and Compiled By:  
Raven Gathering System LLC  
16200 Park Row, Suite 300  
Houston, TX 77084-7348

**GATHERING AND TRANSPORTATION TARIFF  
TABLE OF CONTENTS**

<b>1.</b>	<b>RULE 3.71 REQUIREMENTS .....</b>	<b>1</b>
1.1.	ALL MARKETABLE OIL TO BE RECEIVED FOR TRANSPORTATION.....	1
1.2.	BASIC SEDIMENT, HOW DETERMINED—TEMPERATURE.....	1
1.3.	“BARREL” DEFINED.....	1
1.4.	OIL INVOLVED IN LITIGATION, ETC.-- INDEMNITY AGAINST LOSS.....	2
1.5.	STORAGE.....	2
1.6.	IDENTITY OF OIL, MAINTENANCE OF OIL.....	2
1.7.	MINIMUM QUANTITY TO BE RECEIVED.....	2
1.8.	GATHERING CHARGES.....	2
1.9.	MEASURING, TESTING, AND DEDUCTIONS (REFERENCE SPECIAL ORDER NUMBER 20-63,098 EFFECTIVE JUNE 18, 1973).....	2
1.10.	DELIVERY AND DEMURRAGE.....	3
1.11.	UNPAID CHARGES, LIEN FOR AND SALE TO COVER.....	3
1.12.	NOTICE OF CLAIM.....	3
1.13.	TELEPHONE-TELEGRAPH LINE--SHIPPER TO USE.....	3
1.14.	CONTRACTS OF TRANSPORTATION.....	4
1.15.	SHIPPER’S TANKS, ETC—INSPECTION.....	4
1.16.	OFFERS IN EXCESS OF FACILITIES.....	4
1.17.	INTERCHANGE OF TONNAGE.....	4
1.18.	RECEIPT AND DELIVERY—NECESSARY FACILITIES FOR.....	4
1.19.	REPORTS OF LOSS FROM FIRES, LIGHTNING, AND LEAKAGE.....	4
<b>2.</b>	<b>DEFINITIONS; RULES OF CONSTRUCTION.....</b>	<b>5</b>
2.1.	DEFINITIONS.....	5
2.2.	RULES OF CONSTRUCTION.....	5
<b>3.</b>	<b>GATHERING AND TRANSPORTATION SERVICES.....</b>	<b>5</b>
3.1.	NOTICE OF ARRIVAL; DELIVERY AT DESTINATION.....	5
3.2.	DEDICATED FIRM SHIPPER.....	6
3.3.	NON-DEDICATED SHIPPER.....	6
3.4.	ANNUAL FEE ADJUSTMENTS.....	6
3.5.	RECEIPT AND DELIVERY POINTS.....	6
3.6.	VOLUMES.....	7
3.7.	SUMMARY TABLE.....	7
<b>4.</b>	<b>RULES AND REGULATIONS.....</b>	<b>7</b>
4.1.	QUALITY SPECIFICATIONS.....	7
4.2.	NOMINATIONS.....	8
4.3.	INTERRUPTION AND CURTAILMENT.....	8
4.4.	PRORATION POLICY.....	9
4.5.	PRIORITY CAPACITY.....	9
4.6.	IDENTITY OF CRUDE OIL.....	9
4.7.	BILLING AND PAYMENT.....	10
4.8.	LIABILITY OF PARTIES.....	10
4.9.	INDEMNITY.....	10
4.10.	DISCLAIMER OF DAMAGES.....	11
4.11.	FACILITIES LOSS ALLOWANCE.....	11
4.12.	LINE FILL AND TANK FILL.....	11

Attachment 2.1 (Definitions)

Attachment 3.5(a) (Receipt Points)

Attachment 3.5(b) (Delivery Points)

## GATHERING AND TRANSPORTATION TARIFF

The rates published in this tariff ("Tariff") are for the gathering and transportation of Crude Oil by Raven Gathering System LLC, ("Carrier") on the Facilities, subject to the terms, conditions, rules and regulations ("Rules and Regulations") set forth below to be effective as of March 15, 2016 ("Effective Date").

### RULES AND REGULATIONS

#### 1. RULE 3.71 REQUIREMENTS

**The following nineteen (1-19) rules are reprinted here pursuant to the requirements of the Texas Railroad Commission, Rule 3.71. Some provisions may be modified by subsequent provisions.**

Every person owning, operating, or managing any pipeline, or any part of any pipeline, for the gathering, receiving, loading, transporting, storing, or delivering of Crude Petroleum as a common carrier shall be subject to and governed by the following provisions. Common carriers specified in this section shall be referred to as "pipelines" and the owners or Shippers of Crude Petroleum by pipelines shall be referred to as "Shippers."

##### 1.1. All Marketable Oil to be Received for Transportation.

By the term "marketable oil" is meant any Crude Petroleum adapted for refining or fuel purposes, properly settled and containing not more than 2.0% of basic sediment, water, or other impurities above a point six inches below the pipeline connection with the tank. Pipelines shall receive for transportation all such "marketable oil" tendered; but no pipeline shall be required to receive for shipment from any one person an amount exceeding three thousand barrels of petroleum in any one day; and, if the oil tendered for transportation differs materially in character from that usually produced in the field and being transported therefrom by the pipeline, then it shall be transported under such terms as the shipper and the owner of the pipeline may agree or the Commission may require. (Amended by Rule 4.1)

##### 1.2. Basic Sediment, How Determined—Temperature.

In determining the amount of sediment, water or other impurities, a pipeline is authorized to make a test of the oil offered for transportation from an average sample from each such tank, by the use of centrifugal machine, or by the use of any other appliance agreed upon by the pipeline and the shipper. The same method of ascertaining the amount of the sediment, water or other impurities shall be used in the delivery as in the receipt of oil. A pipeline shall not be required to receive for transportation, nor shall consignee be required to accept as a delivery, any oil of a higher temperature than 90 degrees Fahrenheit, except that during the summer, oil shall be received at any atmospheric temperature, and may be delivered at like temperature. Consignee shall have the same right to test the oil upon delivery at destination that the pipeline has to test before receiving from the shipper.

##### 1.3. "Barrel" Defined.

For the purpose of these rules, a "barrel" of Crude Petroleum is declared to be 42 gallons of 231 cubic inches per gallon at 60 degrees Fahrenheit. (Supplemented by the definition of "barrel" in Attachment 2.1)

1.4. Oil Involved in Litigation, Etc.-- Indemnity Against Loss.

When any oil offered for transportation is involved in litigation, or the ownership is in dispute, or when the oil appears to be encumbered by lien or charge of any kind, the pipeline may require of shippers an indemnity bond to protect it against all loss. (Supplemented by Rules 4.8 and 4.9)

1.5. Storage.

Each pipeline shall provide, without additional charge, sufficient storage, such as is incident and necessary to the transportation of oil, including storage at destination or so near thereto as to be available for prompt Delivery to destination point, for five days from the date of order of Delivery at destination.

1.6. Identity of Oil, Maintenance of Oil.

A pipeline may deliver to consignee either the identical oil received for transportation, subject to such consequences of mixing with other oil as are incident to the usual pipeline transportation, or it may make delivery from its common stock at destination; provided, if this last be done, the delivery shall be of substantially like kind and market value.

1.7. Minimum Quantity to be Received.

A pipeline shall not be required to receive less than one tank car-load of oil when oil is offered for loading into tank cars at destination of the pipeline. When oil is offered for transportation for other than tank car delivery, a pipeline shall not be required to receive less than 500 barrels.

1.8. Gathering Charges.

Tariffs to be filed by a pipeline shall specify separately the charges for gathering of the oil, for transportation, and for delivery.

1.9. Measuring, Testing, and Deductions (Reference Special Order Number 20-63,098 Effective June 18, 1973)

- A. Except as provided in subparagraph (B) of this paragraph, all crude oil tendered to a pipeline shall be gauged and tested by a representative of the pipeline prior to its Receipt by the pipeline. The Shipper may be present or represented at the gauging or testing. Quantities shall be computed from correctly compiled tank tables showing 100% of the full capacity of the tank.
- B. As an alternative to the method of measurement provided in subparagraph (A) of this paragraph, crude oil and condensate may be measured and tested, before transfer of custody to the initial transporter, by:
  - i. lease automatic custody transfer (LACT) equipment, provided such equipment is installed and operated in accordance with the latest revision of American Petroleum Institute (API) Manual of Petroleum Measurement Standards, Chapter 6.1, or;
  - ii. any device or method, approved by the commission or its delegate, which yields accurate measurements of crude oil or condensate.
- C. Adjustments to the quantities determined by the methods described in subparagraphs (A) or (B) of this paragraph shall be made for temperature from the nearest whole number degree to the basis of 60 degrees Fahrenheit and to the nearest 5/10 API degree gravity in accordance with the

volume correction Tables 5A and 6A contained in API Standard 2540. American Society for Testing Materials 01250, Institute of Petroleum 200, first edition, August, 1980. A pipeline may deduct the basic sediment, water, and other impurities as shown by the centrifugal or other test agreed upon by the Shipper and pipeline; and 1.0% for evaporation and loss during transportation. The net balance shall be the quantity deliverable by the pipeline. In allowing the deductions, it is not the intention of the commission to affect any tax or royalty obligations imposed by the laws of Texas on any producer or Shipper of crude oil.

- D. A transfer of custody of crude between transporters is subject to measurement as agreed upon by the transporters.

1.10. Delivery and Demurrage.

Each pipeline shall transport oil with reasonable diligence, considering the quality of the oil, the distance of transportation, and other material elements, but at any time after receipt of a consignment of oil, upon twenty-four (24) hours notice to the consignee, may offer oil for delivery from its common stock at the point of destination, conformable to paragraph (6) of this Section, at a rate not exceeding 10,000 barrels per day of 24 hours. Computation of time of storage (as provided for in paragraph (5) of this Section) shall begin at the expiration of such notice. At the expiration of the time allowed in paragraph (5) of this Section for storage at destination, a pipeline may assess a demurrage charge on oil offered for Delivery and remaining undelivered, at a rate for the first 10 days of [U] \$.001 per Barrel; and thereafter at a rate of [U] \$.0075 per Barrel, for each day of 24 hours or fractional part thereof.

1.11. Unpaid Charges, Lien For and Sale to Cover.

A pipeline shall have a lien on all oil to cover charges for transportation, including demurrage, and it may withhold delivery of oil until the charges are paid. If the charges shall remain unpaid for more than five days after notice of readiness to deliver, the pipeline may sell the oil at public auction at the general office of the pipeline on any day not a legal holiday. The date for the sale shall be not less than 48 hours after publication of notice in a daily newspaper of general circulation published in the city where the general office of the pipeline is located. The notice shall give the time and place of the sale, and the quantity of the oil to be sold.

From the proceeds of the sale, the pipeline may deduct all charges lawfully accruing, including demurrage, and all expenses of the sale. The net balance shall be paid to the person lawfully entitled thereto.

1.12. Notice of Claim.

Notice of claims for loss, damage, or delay in connection with the shipment of oil must be made in writing to the pipeline within 91 days after the damage, loss or delay occurred. If the claim is for failure to make delivery, the claim must be made within 91 days after a reasonable time for delivery has elapsed.

1.13. Telephone-Telegraph Line--Shipper to Use.

If a pipeline maintains a private telegraph or telephone line, a shipper may use it without extra charge, for messages incident to shipments. However, a pipeline shall not be held liable for failure to deliver any messages away from its office or for delay in transmission or for interruption of service.

1.14. Contracts of Transportation.

When a consignment of oil is accepted, the pipeline shall give the shipper a run ticket, and shall give the shipper a statement that shows the amount of oil received for transportation, the points of origin and destination, corrections made for temperature, deductions made for impurities, and the rate for such transportation.

1.15. Shipper's Tanks, Etc—Inspection.

When a shipment of oil has been offered for transportation, the pipeline shall have the right to go upon the premises where the oil is produced or stored, and have access to any and all tanks or storage receptacles for the purpose of making any examination, inspection, or test authorized by this Rule.

1.16. Offers in Excess of Facilities.

If oil is offered to any pipeline for transportation in excess of the amount that can be immediately transported, the transportation furnished by the pipeline shall be apportioned among all shippers in proportion to the amounts offered by each; but no offer for transportation shall be considered beyond the amount which the person requesting the shipment then has ready for shipment by the pipeline. The pipeline shall be considered as a shipper of oil produced or purchased by itself and held for shipment through its line, and its oil shall be entitled to participate in such apportionment. (Amended by Rules 4.4 and 4.5)

1.17. Interchange of Tonnage.

Pipelines shall provide the necessary connections and facilities for the exchange of tonnage at every locality reached by two or more pipelines, when the Commission finds that a necessity exists for connection, and under such regulations as said Commission may determine in each case. (Amended by Rule 26)

1.18. Receipt and Delivery—Necessary Facilities For.

Each Pipeline shall install and maintain facilities for the receipt and delivery of marketable Crude Petroleum of shippers at any point on its line if the Commission finds that a necessity exists therefor, and under regulations by the Commission. (Amended by Rule 26)

1.19. Reports of Loss from Fires, Lightning, and Leakage.

- A. Each pipeline shall immediately notify the Commission district office, electronically or by telephone, of each fire that occurs at any oil tank owned or controlled by the pipeline, or of any tank struck by lightning. Each pipeline shall in like manner report each break or leak in any of its tanks or pipelines from which more than five barrels escape. Each pipeline shall file the required information with the Commission in accordance with the appropriate Commission form within 30 days from the date of the spill or leak.
- B. No risk of fire, storm, flood or act of God, and no risk, resulting from riots, insurrection, rebellion, war, or act of the public enemy, or from quarantine or authority of law or any order, requisition or necessity of the government of the United States in time of war, shall be borne by a pipeline, nor shall any liability accrue to it from any damage thereby occasioned. If loss of any crude oil from any such causes occurs after the oil has been received for transportation, and before it has been delivered to the consignee, the shipper shall bear a loss in such proportion as the amount of his shipment is to all of the oil held in transportation by the pipeline at the time of

such loss, and the shipper shall be entitled to have delivered only such portion of his shipment as may remain after a deduction of his due proportion of such loss, but in such event the shipper shall be required to pay charges only on the quantity of oil delivered. This rule shall not apply if the loss occurs because of negligence of the pipeline. (Supplemented by Rule 45)

- C. Common carrier pipelines shall mail (return Receipt requested) or hand deliver to landowners (persons who have legal title to the property in question) and residents (persons whose mailing address is the property in question) of land upon which a spill or leak has occurred, all spill or leak reports required by the Commission for that particular spill or leak within 30 days of filing the required reports with the Commission. Registration with the Commission by landowners and residents for the purpose of receiving spill or leak reports shall be required every five years, with renewal registration starting January 1, 1999. If a landowner or resident is not registered with the Commission, the common carrier is not required to furnish such reports to the resident or landowner.

## **2. DEFINITIONS; RULES OF CONSTRUCTION**

### **2.1. Definitions.**

As used in this Tariff, terms defined in Attachment 2.1 have the meanings set forth therein.

### **2.2. Rules of Construction.**

Unless the context of this Tariff requires otherwise, the plural includes the singular, the singular includes the plural, and "including" has the inclusive meaning of "including without limitation." The words "hereof", "herein", "hereby", "hereunder", and other similar terms of this Tariff refer to this Tariff as a whole and not exclusively to any particular provision of this Tariff. All pronouns and any variations thereof will be deemed to refer to masculine, feminine, or neuter, singular, or plural, as the identity of the Person or Persons may require. Unless otherwise expressly provided, any agreement, instrument, or Applicable Law defined or referred to herein means such agreement or instrument or Applicable Law as from time to time amended, modified, or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of Applicable Law) by succession of comparable successor law and includes (in the case of agreements or instruments) references to all attachments thereto and instruments incorporated therein.

## **3. GATHERING AND TRANSPORTATION SERVICES**

### **3.1. Notice of Arrival; Delivery at Destination**

Carrier shall transport Crude Oil with reasonable diligence, considering the quality of the Crude Oil, the distance of transportation, and other material elements. Carrier shall not be required to deliver Crude Oil to a particular destination, at a particular time. At any time after receipt of a shipment of Crude Oil, upon twenty-four (24) hour's notice to the Shipper, Carrier may offer Crude Oil for delivery at the destination. Shipper shall accept and receive said Crude Oil with reasonable dispatch into tanks or receptacles arranged for or provided by the Shipper.

3.2. Dedicated Firm Shipper.

3.2.1. Subject to the other terms and conditions of this Tariff, a Shipper is a “Dedicated Firm Shipper” if Shipper has entered into a Gathering and Transportation Agreement (“Dedicated Firm Shipper Agreement”) prior to March 15, 2016 and having a primary term of at least five (5) years to transport all volumes of Crude Oil in Shipper’s control and possession to Carrier’s existing or future Receipt Points and who is not subject to proration for such volumes.

3.2.2. Subject to the terms and conditions of this Tariff and the Dedicated Firm Shipper Agreement, a Dedicated Firm Shipper will have “Firm Capacity Rights” to ship 4,000 Barrels per Day of Shipper’s Crude Oil to the Delivery Point(s) (unless otherwise provided in the Dedicated Firm Shipper Agreement).

If there is additional available capacity, Dedicated Firm Shipper may also ship nominated excess volumes accepted by Carrier.

3.2.3. For volumes described in Section 3.2.2, Dedicated Firm Shipper will pay Carrier, as applicable:

(a) a “Gathering Fee” of \$0.63 per Barrel for all Shipper’s Crude Oil delivered to Carrier at for transportation to the Delivery Point(s) on the Gathering System;

(b) except that, if Dedicated Firm Shipper elects to receive Priority Capacity under Section 4.5.2 with respect to proration, Dedicated Firm Shipper will pay Carrier, as applicable: a fee of \$ 0.75 per Barrel for all Dedicated Firm Shipper’s Crude Oil delivered to Carrier at a Receipt Point and gathered to the nominated Delivery Point(s) on the Gathering System (the “Priority Capacity Rate”).

3.3. Non-Dedicated Shipper.

A Shipper that is not a Dedicated Firm Shipper is a “Non-Dedicated Shipper,” if that Shipper enters a “Non-Dedicated Shipper Agreement” with Carrier to tender Shipper’s Crude Oil at Carrier’s Receipt Points for transport to the Delivery Point(s), subject to Gathering System availability and compliance with the other terms and conditions of this Tariff. The applicable “Non-Dedicated Shipper Rate” will be determined if and when a Non-Dedicated Shipper requests service under this Tariff.

3.4. Annual Fee Adjustments

The fees stated in Section 3.2 (for Dedicated Firm Shippers) and Section 3.3 (for Non-Dedicated Shippers) are subject to increase each March 1 by 1%.

3.5. Receipt and Delivery Points.

The initial Receipt Points are identified in Attachment 3.5(a), as may be updated by from time to time. The initial Delivery Points are identified in Attachment 3.5(b), as may be updated from time to time.



3.6. Volumes.

Rates will be charged on all volumes received by Carrier at the Receipt Points.

3.7. Summary Table.

The following table summarizes the rates published in this Tariff for Crude Oil transport as described in Section 3 of this Tariff, subject to the Rules and Regulations set forth in Section 4.

<b>Dedicated Firm Shippers</b>		<b>Rates/Fees</b>
<i>From any Receipt Point</i>	<i>To any applicable Delivery Point</i>	<u>Gathering Fee</u> of \$0.63 per Barrel (or \$0.75 per Barrel for <u>Priority Capacity Rate</u> )
<b>Non-Dedicated Shippers</b>		<b>Rates/Fees</b>
<i>From any Receipt Point</i>	<i>To any applicable Delivery Point</i>	Non-Dedicated Shipper Rate

**4. RULES AND REGULATIONS**

4.1. Quality Specifications.

4.1.1. Shipper’s Crude Oil must be of a quality acceptable to each of the receiving facilities immediately downstream of the Delivery Point(s) (“Receiving Facilities”), in its natural produced state after normal oilfield lease operations and commercially free of dirt, sediment and chemicals foreign to virgin Crude Oil, including, but not limited to, chlorinated and/or oxygenated hydrocarbons, lead and hazardous or industrial wastes. Notwithstanding the foregoing, Carrier shall have the right, without prejudice to any other remedy available to Carrier, to reject any Crude Oil that fails to meet the Quality Specifications (“out of spec”), even after delivery to Carrier, and to discontinue accepting Shipper’s Crude Oil for so long as such conditions exist. Any acceptance by Carrier of out of spec Crude Oil in one instance shall not be deemed as a waiver by Carrier to reject out of spec Crude Oil at a later time. Shipper shall be liable for and shall indemnify Carrier and hold it harmless against all direct costs and Losses (including loss of revenues) incurred by Carrier for damage to Carrier’s Facilities or Third Party Crude Oil caused by Shipper delivering Crude Oil failing to meet the Quality Specifications or for introduction of contaminants into the Gathering System, which may include costs associated with draining the Gathering System facilities, decontaminating the Gathering System facilities, and refilling it with Line Fill and associated loss of revenues. In addition, Shipper warrants that Shipper’s Crude Oil:

- (a) shall contain less than 0.4% sulfur by weight;
- (b) shall be of an API Gravity not to exceed 60° when corrected to 60° Fahrenheit (provided that Batched Shipments may be permitted in accordance with Section 4.1.2); and
- (c) shall not contain more than 1% by volume basic sediment and water (“BS&W”) and other impurities, or on an individual basis, water shall not be more than 0.3% by volume and basic sediment shall not be more than 0.7% by volume as determined by the average of the representative samples. If any of Shipper’s Crude Oil fails to meet the BS&W and Carrier has the facilities to provide treatment service for BS&W, Shipper shall pay Carrier a fee, to be mutually agreed by the parties, and Carrier shall treat Shipper’s Crude Oil to bring it into compliance with the BS&W.

(Collectively, the “Quality Specifications”).

4.1.2. Commingled Crude Oil in the System shall not exceed the maximum API gravity requirements of the Receiving Facilities. When requested by a Shipper, and if operationally feasible in Carrier’s sole discretion, Carrier may utilize Batched Shipments so that the requesting Shipper’s Crude Oil at the Delivery Point(s) does not exceed an API Gravity of the lesser of (x) 47.9 or (y) the maximum API gravity requirements of the Receiving Facilities.

4.2. Nominations.

Crude Oil will be transported by Carrier only under a Nomination accepted by Carrier. Any Shipper desiring transportation under this tariff shall submit to Carrier, in writing, prior to 5 p.m. Central Standard Time/Central Daylight Saving Time, whichever is applicable, on or before the 20th day of the Month, a Nomination of the quantity of Crude Oil to be transported during the following month. However, if space is available for the current movement, Carrier has the right to accept a Nomination of Crude Oil for transportation after the 20th day of the month on a non-discriminatory basis and if the additional Nomination does not impair, in Carrier’s sole discretion, the movement of Crude Oil already nominated. When the 20th day of the Month falls on a weekend or holiday, Nominations will be required prior to 5 p.m. Central Standard Time/Central Daylight Saving Time, whichever is applicable, on the immediately preceding workday. Shippers must submit a separate Nomination for each calendar Month. Each Nomination must state the volume of Shipper’s Crude Oil and the Delivery Point(s), and contain other information reasonably required by Carrier.

4.3. Interruption and Curtailment.

4.3.1. Carrier may “Interrupt” or “Curtail”, meaning, respectively, to stop or reduce transportation service to Shipper and Third Party shippers for such periods of time as it may reasonably require for the purpose of effecting or allowing any repairs, maintenance, replacement, upgrading or other work related to the Facilities, or upstream/downstream facilities in circumstances which do not constitute Force Majeure.

- (a) A “Curtailment” or “Curtailment event” does not include Shipper’s Default or an inability to receive Crude Oil by any entity not an Affiliate of Carrier downstream of the Delivery Point(s) for any reason.
- (b) If such Interruption or Curtailment is due to a planned outage, Carrier shall give Shipper prior notice of such Interruption or Curtailment as soon as reasonably possible. If such Interruption or Curtailment is unforeseen, Carrier shall give Shipper notice of such Interruption and Curtailment as soon as reasonably possible. Carrier shall use reasonable commercial efforts to minimize the extent and duration of any Interruption or Curtailment and the impact of such Interruption or Curtailment on the operation of the Facilities.

4.4. Proration Policy.

- 4.4.1. When Shippers in the aggregate nominate more Crude Oil to Carrier than can be immediately transported, the transportation furnished by Carrier will be apportioned among all such Shippers in proportion to the amounts nominated by each, based on the capacity of the Gathering System or any line segment thereof, as applicable (“Proration”). No nominations will be considered beyond the amount that the Shipper requesting the shipment has readily accessible for shipment.
- 4.4.2. Notwithstanding the general Proration Policy set forth in Section 4.4.1, in the event of an interruption or curtailment, Dedicated Firm Shippers may elect to receive Priority Capacity in accordance with Section 4.5, which will not be subject to the proration methodology set out above. Such Priority Capacity will not exceed 90% of the available capacity of the pipeline.

4.5. Priority Capacity.

- 4.5.1. Carrier will follow a Proration policy as set forth in these Rules and Regulations when the amount of Crude Oil nominations properly submitted by all system Shippers exceeds the Gathering System’s capacity for a given Month. The capacity available for service during the Month of allocation (design capacity less any reduction in capacity because of Interruption and Curtailment or Force Majeure) is the “Prorated Capacity.”
- 4.5.2. Carrier will maintain ninety percent (90%) of the Prorated Capacity for Dedicated Firm Shippers (“Priority Capacity”). Dedicated Firm Shippers are eligible to make a Priority Capacity election should the Facilities enter into a period of Proration by electing to pay the Priority Capacity Rate set forth in Section 3.6. In the event that the Prorated Capacity is less than design capacity (as a result of, for example, Interruption or Curtailment or Force Majeure), the Priority Capacity available for each Dedicated Firm Shipper will be allocated pro rata in accordance with each Dedicated Firm Shipper’s respective committed volume.

4.6. Identity of Crude Oil.

Crude Oil will be accepted for transportation only on condition that such Crude Oil will be subject to changes in quality and composition while in transit or as may result from unavoidable contamination, and Carrier will not be obligated to make delivery of the identical

Crude Oil received for transportation. Carrier may, therefore, make delivery of Crude Oil out of common stocks of similar Crude Oil on hand at a Delivery Point.

4.7. Billing and Payment.

4.7.1. On or before the 15th Day of the Month, Carrier shall bill Shipper each Month for the Fees for services provided hereunder during the previous Month. Payment shall be due within 15 Days of the invoice date. In the event actual measurements of quantities of Shipper's Crude Oil are unavailable in any Month of service, Carrier may invoice Shipper based on estimated quantities, which shall be corrected to actual quantities once such actual quantities are available.

4.7.2. Late payments shall accrue interest at the rate of 1.5% per Month, or if such interest rate exceeds the maximum rate allowed by law, then the maximum rate allowed by law will be used. In the event a payment is late by more than sixty (60) Days, Carrier may withhold from delivery an amount of Crude Oil volumes of equal value (in US Dollars) to the US Dollar amount of the late payment (plus accrued interest) until payment of the late Fees has been made. Payments received by Carrier from a particular Shipper shall be attributed to the earliest unpaid invoice issued to that Shipper; provided, however, that such payments shall not be attributed to any amounts disputed subject to Section 4.7.3.

4.7.3. If Shipper, in good faith, disputes the amount of any such invoice or any part thereof, Shipper will pay such amount as it concedes to be correct. If Shipper disputes the amount due, it must provide supporting documentation acceptable in industry practice to support the amount disputed within 10 Days of the date of such invoice.

4.7.4. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for underpayments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and documentation, within the 24 Month period following the Month of Crude Oil delivery at the Delivery Point(s). All retroactive adjustments shall be paid in full by the Party owing payment within 30 Days of Notice substantiating such inaccuracy.

4.8. Liability of Parties

Carrier shall have the right to reject any Crude Oil, when nominated for transportation, which may be involved in litigation, or the title of which may be in dispute, or which may be encumbered by a lien or charge of any kind, and it may require of the Shipper satisfactory evidence of its perfected and unencumbered title or satisfactory indemnity bond to protect Carrier. By nominating Crude Oil, Shipper warrants and guarantees that Shipper has good title thereto and agrees to hold Carrier harmless for any and all loss, cost, liability, damage, and/or expense resulting from failure of title thereto; provided that acceptance of transportation shall not be deemed a representation by Carrier as to acceptance of Shipper's good title.

4.9. Indemnity.

Carrier's and Shipper's indemnity obligations are set forth in the Shipper Agreement; provided that, in any event, to the extent permitted by Applicable Law, Shipper will

indemnify, defend, and hold harmless Carrier from any and all Losses arising from or out of personal injury or property damage attributable to Shipper's Crude Oil when Shipper shall be deemed to be in control and possession of Shipper's Crude Oil. Shipper agrees that its indemnity obligations will be supported by insurance and that such insurance shall not be deemed to be a cap on Shipper's liability in respect of such indemnity obligations.

4.10. Disclaimer of Damages.

CARRIER'S AND SHIPPER'S LIABILITY OBLIGATIONS ARE SET FORTH IN THE SHIPPER AGREEMENT; PROVIDED THAT, IN ANY EVENT, CARRIER'S LIABILITY HEREUNDER SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. CARRIER SHALL NOT BE LIABLE HEREUNDER TO THE OTHER PARTY OR ITS AFFILIATES FOR SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES, LOST PROFITS (OTHER THAN DIRECT, ACTUAL LOST PROFITS), OR OTHER BUSINESS INTERRUPTION OR SIMILAR DAMAGES, BY STATUTE, IN TORT, OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE.

4.11. Facilities Loss Allowance.

Each Shipper shall be allocated the Facilities Loss Allowance on a pro-rata basis to cover all normal course of business losses sustained on the Facilities due to evaporation, measurement, and other losses in transit.

4.12. Line Fill and Tank Fill.

4.12.1. Carrier may, at its sole discretion, require each Dedicated Shipper to provide, or to designate a third-party to provide, the Dedicated Shipper's pro rata share of Barrels of Crude Oil for Line Fill and Tank Fill required for operation of the Gathering System and the Pipeline.

4.12.2. Each Non-Dedicated Shipper must provide its pro rata share of Barrels of Crude Oil for Line Fill and Tank Fill required for operation of the Gathering System and the Pipeline.

4.12.3. Each quarter, Carrier will provide an adjustment for each Shipper's account to properly prorate the quantity of Line Fill and Tank Fill among all Shippers on the Gathering System and the Pipeline and to account for any changes to each Shipper's pro rata share of Barrels of Crude Oil for Line Fill and Tank Fill required for operation of the Gathering System and the Pipeline, as applicable.

4.12.4. Crude Oil furnished for Line Fill and Tank Fill by a Shipper may be withdrawn from the Gathering System only after (i) that Shipper's Dedicated Firm Shipper Agreement or Non-Dedicated Shipper Agreement (as applicable), has expired or terminated, (ii) that Shipper's inventory balances have been reconciled between Carrier and Shipper, and (iii) all fees due and payable to Carrier by that Shipper have been fully and finally paid.

- 4.12.5. After satisfaction of the items described in Section 4.12.4, Carrier shall have a reasonable period of time to complete administrative and operational requirements incident to that Shipper's withdrawal of the Crude Oil.
- 4.12.6. Any losses to Line Fill and/or Tank Fill due to evaporation, measurement or other losses in transit shall be subject to allocation among all Shippers on a pro rata basis but any individual Shipper's allocation during a Month shall never exceed 0.2%, of that Shipper's Line Fill or Tank Fill, as applicable.

**[The remainder of this page is intentionally left blank.  
The next page of this document is Attachment 2.1]**

**ATTACHMENT 2.1  
DEFINITIONS**

<b>TERM</b>	<b>DEFINITION</b>
1. Affiliate	Any Person, corporation, partnership, limited partnership, limited liability company, or other legal entity, whether of a similar or dissimilar nature, which (i) controls, either directly or indirectly, a Party, or (ii) is controlled, either directly or indirectly, by such Party, or (iii) is controlled, either directly or indirectly, by a Person or entity which directly or indirectly controls such Party. As used in this definition, "control" means the ownership of (or the right to exercise or direct) 50% or more of the voting rights in the appointment of directors of such entity, or 50% or more of the interests in such entity.
2. API	American Petroleum Institute.
3. API Gravity	Gravity determined in accordance with the ASTM International (formerly known as the American Society for Testing and Materials) ("ASTM") Designation D-287-82 or the latest revision thereof.
4. Applicable Law	With respect to any Person, property or matter, any of the following applicable thereto: any statute, law, regulation, ordinance, rule, judgment, rule of common law, order, decree, governmental approval, concession, grant, franchise, license, agreement, directive, ruling, guideline, policy, requirement or other governmental restriction or any similar form of decision of, or determination by, or any interpretation, construction or administration of any of the foregoing, by any Governmental Authority, in each case as amended.
5. ASTM	ASTM International, formerly known as the American Society for Testing and Materials.
6. Barrel ("bbl")	42 United States gallons of 231 cubic inches per gallon at a temperature of 60 degrees Fahrenheit measured in accordance with API Manual of Petroleum Measurement Standards and converted to Gross Standard Volume at 60°F in accordance with the appropriate Table 6A of ASTM D-1250 in its latest version..
7. Batched or Batched Shipment	Transportation of Crude Oil that is tendered or received at Receipt Points on the Gathering System for transportation to any

	Delivery Points, as an identifiable unit.
8. BS&W	Basic sediment, water and other impurities.
9. Business Day	Any Day other than a Saturday, Sunday or other Day on which banks in the State of Texas are permitted or required to close.
10. Carrier	As defined in the first paragraph.
11. Commission	The Railroad Commission of Texas or any successor agency with jurisdiction.
12. Crude Oil	Naturally occurring, unrefined petroleum product composed of hydrocarbon deposits of varying grades.
13. Curtail	As defined in Section 4.3.1
14. Curtailment	As defined in Section 4.3.1
15. Day	A period of 24 consecutive hours commencing at 7:00 A.M. prevailing Central Time.
16. Dedicated Firm Shipper	As defined in Section 3.2.1
17. Dedicated Firm Shipper Agreement	As defined in Section 3.2.1
18. Delivery Point(s)	The points at which deliveries of Crude Oil will be made by Carrier to Shipper, as further described in Attachment 3.5(b).
19. Effective Date	As defined in the first paragraph.
20. Facilities	Carrier's facilities constituting the Gathering System, originating at the Origin Point(s) and terminating at the Destination Point(s) as reflected in Attachments 3.5(a) and 3.5(b).
21. Facilities Loss Allowance	The Facilities' actual losses due to evaporation, measurement, or other losses in transit.
22. Fees	The Gathering Fee, Priority Capacity Rate, and any other fees described in or authorized by this Tariff.



23.	Firm Capacity Rights	As defined in Section 3.2.2.
24.	Gathering Fee	As defined in Section 3.2.3.
25.	Gathering System	The pipeline and all facilities, including tanks, lines, valves, fittings, pumps and appurtenant equipment utilized by Carrier for the transportation of Crude Oil from the Receipt Points to the Delivery Points.
26.	Governmental Authority	Any court, government (federal, tribal, state, local, or foreign), department, political subdivision, commission, board, bureau, agency, official, or other regulatory, administrative, or governmental authority.
27.	Governmental Authorizations	Any authorization, approval or permit from any national, regional, state, local or municipal government, or any political subdivision, agency, commission or authority thereof (including any maritime authorities, port authority or any quasi-governmental agency) having jurisdiction over a party or its Affiliates, the Facilities or any of the activities contemplated by this Tariff.
28.	Gravity	API Gravity.
29.	Interruption	As defined in Section 4.3.1.
30.	Line Fill and Tank Fill	The static quantity of Crude Oil needed to occupy the physical space within the Facilities required for Facilities operations.
31.	Losses	All losses, liabilities, damages, claims, demands, fines, penalties, costs, or expenses, including reasonable attorneys' fees and court costs.
32.	Month	A calendar month beginning at 12:01 am on the first Day of the calendar month and ending at 12:01 am on the first Day of the next calendar month.
33.	Nomination	A written offer or tender by a Shipper to Carrier of a stated quantity of Crude Petroleum for transportation from a specified origin point to a specified Delivery Point in accordance with this Tariff.

34.	Non-Dedicated Shipper	As defined in Section 3.3.
35.	Non-Dedicated Shipper Agreement	As defined in Section 3.3.
36.	Non-Dedicated Shipper Rate	As defined in Section 3.3.
37.	Person	Any individual, corporation, partnership, limited liability company, other business organization of any kind, association, trust, or governmental entity, agency, or instrumentality.
38.	Priority Capacity	As defined in Section 4.5.2.
39.	Priority Capacity Rate	As defined in Section 3.2.3
40.	Prorated Capacity	As defined in Section 4.5.1.
41.	Proration	As defined in Section 4.4.1.
42.	Quality Specifications	As defined in Section 4.1.
43.	Receipt Points	The points at which Crude Oil will be received or deemed to be received by Carrier from Shipper, as further described in Attachment 3.5(a).
44.	Receiving Facilities	As defined in Section 4.1.
45.	Receipt	Transfer from Shipper at origin to Carrier for transportation.
46.	RRC	The Railroad Commission.
47.	Rules and Regulations	As defined in the first paragraph.
48.	Shipper	The Person (and its heirs, successors, and permitted assignees) that executes and takes service from Carrier in accordance with this Tariff.
49.	Shipper Agreement	A Dedicated Firm Shipper Agreement or Non-Dedicated Shipper Agreement, as applicable.

50. Tariff	As defined in the first paragraph.
51. Third Party	Any Person other than Carrier, Shipper, or their respective Affiliates.
52. Year	Any period consisting of 365 consecutive Days, commencing and ending at 7:00 a.m., prevailing Central Time; provided, that any year which contains the date of February 29 will consist of 366 consecutive Days.

**ATTACHMENT 3.5(a)  
RECEIPT POINTS**

<b>Receipt Point Name:</b>	<b>Location:</b>
	The interconnections between Producer's Point of delivery and Raven Pipeline @ (see below).
Kyle 26 West	S/2SW/4 of Section 26, A-1266, Block 54, T-1-S, Texas & Pacific R.R., Co. Survey, Loving County, Texas
Kyle 26 East	S/2SE/4 of Section 26, A-1266, Block 54, T-1-S, Texas & Pacific R.R., Co. Survey, Loving County, Texas
Z&T 32 West	N/2NW/4 of Section 32, A-1269, Block 54, T-1-S, Texas & Pacific R.R., Co. Survey, Loving County, Texas
Z&T 32 East	N/2NE/4 of Section 32, A-1269, Block 54, T-1-S, Texas & Pacific R.R., Co. Survey, Loving County, Texas
Z&T 42	E/2NE/4 of Section 42, A-1301, Block 54, T-1-S, Texas & Pacific R.R. Co. Survey, Loving County, Texas
Z&T 20	N/2NW/4 of Section 20, A-1263, Block 54, T-1-S, Texas & Pacific R.R., Co. Survey, Loving County, Texas
Kyle 24	N/2NE/4 of Section 24, A-1265, Block 54, T-1-S, Texas & Pacific R.R., Co. Survey, Loving County, Texas
Other	Any other points mutually agreed upon in the future where Carrier receive Shipper's Crude Oil

**ATTACHMENT 3.5(b)  
DELIVERY POINTS**

<b>Delivery Point Name:</b>	<b>Location:</b>
Raven/Plains Interconnection	The interconnection between Raven Pipeline and Plains Pipeline at N/2NW/4 of Section 20, A-1263, Block 54, T-1-S, Texas & Pacific R.R., Co. Survey, Loving County, Texas. Plains Pipeline Meter # C.R. 300 #1
Other	Any other points mutually agreed upon in the future where Carrier will redeliver Shipper's Crude Oil