Filed on:
Oct 31 2025
Gas Services Department
Railroad Commission of Texas

Texas No. 1.7.0
(Cancels Texas No. 1.6.0)

MAGELLAN CRUDE OIL PIPELINE COMPANY, L.P.

LOCAL PIPELINE TARIFF

CONTAINING

RULES AND REGULATIONS

GOVERNING THE TRANSPORTATION AND HANDLING

OF

CRUDE PETROLEUM

TRANSPORTED BY PIPELINE

Carrier will accept and transport Crude Petroleum offered for transportation through Carrier's facilities, only as provided in this Rules and Regulations Tariff. This tariff shall apply only to those tariffs which specifically incorporate this tariff by reference; such reference includes supplements to this tariff and successive issues thereof. To the extent that specific rules and regulations published in other tariffs conflict with the general rules and regulation in this tariff, such specific rules and regulations shall supersede the general rules and regulations.

The matter published herein will have no adverse effect on the quality of the human environment.

P-5 Operator ID: P-521313; T-4 Permit Information: T-05431.

EFFECTIVE: November 1, 2025

Issued & Compiled By: Jake Nolte, Liquids Pipelines Rates & Tariffs
ONEOK, Inc.
100 W. Fifth Street
Tulsa, Oklahoma 74103
(918) 588-7258

SECTION I
Rules and Regulations of Railroad Commission of Texas
Rule §3.71, Pipeline Tariffs

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 two percent (2.0%) of basic sediment, water, or other impurities above a point six (6) 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 (3,000) 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 there from 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.

See section 25 for further definition.

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.

3. “BARREL” DEFINED

For the purpose of these sections, a “barrel” of crude petroleum is declared to be forty-two (42) gallons of 231 cubic inches per gallon at 60 degrees Fahrenheit.

See section 20 for further definition.

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.

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.

6. IDENTITY AND 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.

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 five hundred (500) barrels.

SECTION I *(continued)*

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.

9. MEASURING, TESTING AND DEDUCTIONS

(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. This 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 tanks.

(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 the American Petroleum Institute (API) Manual of Petroleum Measurement Standards, Chapter 6., or;

(ii) any devise 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.

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 Item No. 6 of this section, at a rate not exceeding ten thousand (10,000) barrels per day of twenty-four (24) hours. Computation of time of storage (as provided for in Item No. 5 of this section) shall begin at the expiration of such notice. At the expiration of the time allowed in Item No. 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 ten (10) days of one-tenth of one cent ($0.001) per barrel; and thereafter at a rate of three-fourths of one cent ($0.0075) per barrel, for each day of twenty-four (24) hours or fractional part thereof.

SECTION I *(continued)*

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 (5) days after notice of readiness to delivery, 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 forty-eight (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.

12. NOTICE OF CLAIM

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

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.

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 the origin and destination, corrections made for temperature, deductions made for impurities, and the rate for such transportation.

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 section.

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.

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.

SECTION I *(continued)*

18. RECEIPT AND DELIVERY – FOR NECESSARY FACILITIES

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.

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 (5) barrels escapes. Each pipeline shall file the required information with the commission in accordance with the appropriate commission form within thirty (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 Item No. 19 shall not apply if the loss occurs because of negligence of the pipeline.

(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 thirty (30) days of filing the required reports with the commission. Registration with the Commission by landowners and resident for the purpose of receiving spill or leak reports shall be required every five years, with the 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.

SECTION II
Supplemental Magellan Crude Oil Pipeline Company, L.P.
Rules and Regulations Governing Crude Petroleum Transportation By Pipeline

20. DEFINITIONS

"A.P.I." means American Petroleum Institute.

"Barrel" means forty-two (42) United States gallons

"Carrier" means Magellan Crude Oil Pipeline Company, L.P.

"Crude Petroleum" means the grade or grades of the direct liquid products of oil or gas wells, which Carrier has undertaken to transport.

"Indirect liquid products of oil or gas wells" sometimes referred to as indirect products means the liquid products resulting from the operation of gasoline recovery plants, gas recycling plants, condensate or distillate recovery equipment in gas or oil fields, or a mixture of such products, which Carrier has undertaken to transport.

[N] "Shipper" means any party who agrees with Carrier for transportation of Crude Petroleum.

"U.S." means United States

"WTI" means West Texas Intermediate Crude Petroleum.

"WTL" means West Texas Light Crude Petroleum.

"WTS" means West Texas Sour Crude Petroleum

25. MERCHANTABLE OIL

Carrier will establish the grades of Crude Petroleum it will regularly transport as a common stream between particular origin point or points and destination point or points of Carrier. Carrier may from time to time, after reasonable notice to persons who may be affected, cease to transport particular grades of Crude Petroleum.

	WTI	**WTS**	**WTL**
API Gravity, ° API	36 – 44	30 – 38	44.1-49.9
Sulfur Content, Weight %	<= 0.45	<= 2.20	<= 0.2
Max Reid Vapor Pressure, psi	9.5	9.5	9.5
Max True Vapor Pressure, psi	11.0	11.0	11.0
BS & W	<= 1.0%	<= 1.0%	<= 1.0%

30. STORAGE

Storage necessarily incident to transportation and only such storage will be provided by the Carrier.

40. MINIMUM SHIPMENTS

Quantities of Crude Petroleum will be accepted for transportation as a single shipment to destinations shown herein in amounts of not less than 50,000 barrels. Quantities of less than 50,000 barrels may be accepted for transportation if operating conditions permit and if such Crude Petroleum of like quality and characteristics of that currently being transported.

50. QUALITY AND QUANTITY OF RECEIPT AND DELIVERIES

Carrier will accept for transportation Crude Petroleum that can be commingled of intermixed with a grade of Crude Petroleum, which Carrier regularly transports between the origination and destination points of the shipment without materially reducing the value or altering the quality of any grade of Crude Petroleum, which Carrier regularly transports over the route of the shipment.

Carrier will accept Crude Petroleum for transportation only on condition that Carrier shall not be liable to Shipper or Consignee for changes in gravity or quality which may occur from commingling or inter-mixing such Crude Petroleum with other Crude Petroleum in transit; and that Carrier will not be obligated to deliver to Consignee the identical Crude Petroleum received from Shipper. However, Carrier will deliver to Consignee a grade of Crude Petroleum as nearly like the grade of Crude Petroleum received from Shipper as Carrier is regularly transporting as a common stream to destination points of the shipment.

Carrier will not be required to and will not intentionally accept any Crude Petroleum that does not meet the specifications set forth in Item 25.

Carrier will not make a delivery of less than 20,000 barrels of Crude Petroleum at any destination point on its trunk line except when necessitated by dispatching contingencies.

60. MEASUREMENT AND TENDER DEDUCTIONS

The volume of Crude Petroleum received and delivered by Carrier will be measured in barrel units by meter or by gauge. Measured volumes at recorded or observed temperatures will be converted to volumes at sixty degrees Fahrenheit (60°F).

The volume of impurities in Crude Petroleum received and delivered by Carrier will be measured by an electrical or mechanical device or by physical test and such volume will be deducted from the volume of such receipts and deliveries.

Carrier shall determine all measurements, but Shipper and Consignee or their representatives may be present to witness them.

A deduction of two tenth (2/10) of one percent by volume will be assessed on each shipment of WTI and WTS tendered to Carrier.

A deduction of two and one half tenth (2.5/10) of one percent by volume will be assessed on each shipment of WTL tendered to Carrier.

70. NOMINATIONS

Crude Petroleum for shipment through lines of this Carrier will be received only on proper notice showing the point at which the Crude Petroleum is to be received, point or points of delivery, Consignee, and amount of Crude Petroleum to be transported. The notice shall be received by the Carrier on or before the fifteenth (15^{th}) day of the calendar month preceding the desired shipment date. If the fifteenth (15^{th}) day of the month falls on a weekend or holiday, nominations are due on the last workday before the fifteenth (15^{th}) provided, however, to accommodate the administration of the lottery process, New Shipper nominations must be emailed to the Scheduler prior to 5:00 p.m. central time the thirteenth (13^{th}) day of the month preceding the month for which the nominations apply. The nomination must be submitted via Carrier's COBALT system. A nomination must specify, for each shipment, the quantity, product grade, Origin, Destination, Supply sources and Shipper.

Upon receipt of nominations from Shippers, Carrier may conduct upstream and downstream verifications in accordance with the terms of the Nomination Verification Procedure set forth below. To the extent that a Shipper's nomination cannot be fully verified in accordance with such terms, as determined by Carrier in its sole discretion, the Shipper's nomination will be reduced by Carrier in accordance with the Procedure set forth below.

Nomination Verification Procedure:

Upon receipt of each month's nominations, Carrier may verify with each receipt point and delivery point a volume based on the volumes nominated to it (the "Verified Volume").

1.) Carrier may request that upstream connecting carriers or facilities verify the Shipper's nomination of volume to Carrier by the close of the first day of the nomination month. The volumes verified will be the Shipper's Verified Volume.

2.) With respect to nominations for delivery to a specific connecting carrier or other connecting party, Carrier may contact such party and request verification of each Shipper's volume nominated for delivery to its facility. Downstream connecting carriers and other connecting parties will follow their own procedure for verifying volumes to Carrier. The volumes verified will be the Shipper's Verified Volume.

80. TITLE UNENCUMBERED

The act of delivering Crude Petroleum to the Carrier for transporting shall constitute a warranty that the Shipper or Consignee has unencumbered title thereto or the unencumbered right to ship such Crude Petroleum, and that such Crude Petroleum was produced in accordance with concerned laws and regulations. When any Crude Petroleum tendered for transportation is involved in litigation, or the ownership of which may be in dispute, or which may be encumbered by lien or charge of any kind, the Carrier may require of Shippers an indemnity bond to protect it against all loss.

90. LIABILITY OF CARRIER

The Carrier shall not be liable for any loss or damage or delay caused by act of God, public enemy, quarantine, authority of law, strike, riots, fire or the act or default of Shipper or Owner, or for any other cause not due to the negligence of the Carrier whether similar or dissimilar to the causes herein enumerated; and in case of loss from any such causes after Crude Petroleum has been received for transportation and before the same 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 Crude Petroleum in the custody of the Carrier 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 Crude Petroleum delivered.

100. DUTY OF CARRIER

The Carrier shall not be required to transport Crude Petroleum except with reasonable diligence, considering the quality of the Crude Petroleum, the distance of transportation and other material elements; but in the event Shipper fails to provide adequate facilities for receipt at destination or has not ascertained from the Carrier that it has facilities available for receipt at destination, Carrier shall have the right on 24 hour notices, to divert or reconsign, subject to the rates, rules and regulations applicable from point of origin to actual final destination, or make whatever arrangements for disposition as are deemed appropriate to clear the Carrier's facilities, including the right of private sale for the best price reasonably obtainable. The Carrier may be a purchaser at such sale. Out of the proceeds of said sale, the Carrier shall pay itself all transportation and all other applicable lawful charges and necessary expenses of the sale and the expense of caring for and maintaining the Crude Petroleum until disposed of and the balance shall be held for whomsoever may be lawfully entitled thereto.

110. PAYMENT OF TRANSPORTATION AND OTHER CHARGES

Shipper shall pay the transportation and all other charges accruing on Crude Petroleum delivered, adjusted to sixty degrees Fahrenheit (60°F). Carrier shall have a carrier's lien, as provided by Chapter 7 of the Texas Uniform Commercial Code, on all Crude Petroleum accepted for transportation to secure the payment of all charges, and may withhold said Crude Petroleum from delivery until all of the said charges shall have been paid.

Carrier will bill Shipper each month for transportation and other charges incurred during the previous month. If such a bill is not paid within ten (10) days after date of invoice or, if later, any other due date, Carrier shall have the right to assess a late charge at an interest rate of 1.5% per month, unless such rate is greater than the maximum rate allowed by law, in which case the maximum rate allowed by law will be used. Such late charge shall accrue from ten (10) days after date of invoice until payment is made.

Carrier may require that all payments to Carrier for services pertaining to the transportation of Crude Petroleum be by wire transferred in accordance with the instructions on the Carrier's invoice to Shipper.

In the event Carrier determines that the financial condition of a Shipper or Shipper's guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines it is necessary to obtain security from a Shipper, Carrier will provide notice to Shipper and Shipper will provide, at Shipper's option to the extent acceptable to Carrier in the exercise of Carrier's good faith judgment, one of the following prior to Carrier's delivery of Shipper's Products in Carrier's possession or prior to Carrier's acceptance of Shipper's Crude Petroleum: (1) prepayment of all charges by wire transfer, which shall be held by Carrier without interest accruing thereon until credited to Shipper, (2) a letter of credit at Shipper's expense in favor of Carrier in an amount sufficient to ensure payment of all such charges and, in a form, and from an institution acceptable to Carrier in Carrier's good faith judgment, or (3) a guaranty in an amount sufficient to ensure payment of all such charges, and in a form, and from a third party acceptable to Carrier in Carrier's good faith judgment. In the event Shipper fails to comply with any such requirement on or before the date supplied in Carrier's notice to Shipper, Carrier shall not be obligated to provide Shipper access to Carrier's facilities or provide services pursuant to this tariff until such requirement is fully met.

In addition to all other liens, statutory or otherwise, to which Carrier is entitled and unless the following grant is expressly prohibited by the terms of one or more security agreements or credit agreements creating prior, perfected security interests in the hereinafter-defined Collateral, Shipper hereby grants to Carrier a first priority, continuous and continuing security interest in all of the following, whether now or hereafter existing or acquired, as collateral for the prompt and complete payment and performance of Shipper's Obligations (as defined below): (a) All Crude Petroleum accepted by Carrier for transportation, terminaling, storage, or otherwise while in the possession of Carrier; (b) all other property of Shipper now in the possession of and at any time and from time to time hereafter delivered to Carrier or its agents but only while in the possession of Carrier; and (c) all of Shipper's pre-payments, deposits, balances, and credits with, and any of its claims against, Carrier, at any time existing. The property described or referred to in subsections (a) through (c) above is collectively referred to as the "Collateral." This grant secures the following (collectively the "Obligations"): (a) all antecedent, current and future transportation, storage, terminaling, special, ancillary and other lawful charges arising under or related to this tariff or the contracts entered into in connection with this tariff, including, but not limited to, any charges that may arise pursuant to Item 210; (b) the repayment of any amounts that Carrier may advance or spend for the maintenance, storage or preservation of the Collateral; (c) all amounts owed under any modifications, renewals or extensions of any of the foregoing obligations; and (d) all other amounts now or in the future owed by Shipper to Carrier, whether or not of the same kind or class as the other obligations owed by Shipper to Carrier. Shipper authorizes Carrier to file such financing statements or other documents necessary to perfect and maintain the security interest herein granted.

112. RATES APPLICABLE

The rate which shall apply for the transportation of Crude Petroleum shall be the rate in effect on the date Crude Petroleum is received by Carrier for transportation. Likewise, the rules and regulations which shall govern the transportation of Crude Petroleum shall be the rules and regulations in effect on the date Crude Petroleum is received by Carrier for transportation.

120. CLAIMS TIME FOR FILING

Except where property is lost or damaged in transit by carelessness or negligence of the Carrier, claims for loss or damage must be made in writing to the Carrier within ninety-one (91) days after delivery of the property, or in case of a failure to make delivery, then within ninety-one (91) days after a reasonable time for delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) day after delivery of the property, or in the case of failure to make delivery, then within two (2) years and one (1) day after a reasonable time for delivery has elapsed; provided, however, that where claims have been duly filed with the Carrier, suit must be brought within two (2) years and one (1) day after notice in writing is given by the Carrier to the claimant that the Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed for suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and the Carrier will not be liable.

130. PIPEAGE CONTRACT REQUIRED

Separate pipeage contracts in accord with this tariff and these regulations covering further details may be required by the Carrier before any duty of transportation shall arise.

140. DIVERSION OR RECONSIGNMENT

Provided no back haul is required, diversion or reconsignment will be made on written request from the Consignor or Consignee. No additional charge will be made for the diversion or reconsignment service. The rate to be applied under this rule is the rate from point of origin to final destination.

150. APPORTIONMENT WHEN TENDERS ARE IN EXCESS OF FACILITIES

When there shall be tendered to the Carrier, for transportation, more Crude Petroleum than can be immediately transported, the transportation furnished by the Carrier shall be apportioned among Shippers as provided in Carrier's Pipeline Proration Procedure. Carrier's Pipeline Proration Procedure dated April 10, 2020 is available on Carrier's Internet Site at https://www.oneok.com/customers/rpco/crude-oil/crude-oil or on request.

160. APPLICATION OF RATES FROM INTERMEDIATE POINTS

Crude Petroleum received from a point on Carrier's lines which is not named in this tariff, but which is intermediate to a point from which rates are published, will be assessed the rate in effect from the next more distant point published in this tariff.

170. APPLICATION OF RATES TO INTERMEDIATE POINTS

Crude Petroleum destined to a point on Carrier's lines which is not named in this tariff, but which is intermediate to a point to which rates are published, will be assessed the rate in effect to the next more distant point published in this tariff.

180. LINE FILL AND TANK BOTTOMS INVENTORY REQUIREMENTS

Prior to delivering Barrels out of Carrier's pipeline system, each Shipper will be required to supply a pro rata share of Petroleum necessary for pipeline and tankage fill to ensure efficient operation of Carrier's pipeline system and Carrier shall, at a minimum, revise its line fill apportionment every calendar quarter based on the volume shipped during such calendar quarter. Petroleum provided by Shippers for this purpose shall be redelivered to Shipper promptly after Shipper's share changes and also promptly after: (1) Shipper's shipments have ceased and the Shipper has notified Carrier in writing of its intention to discontinue shipments in Carrier's system, and (2) Shipper balances have been reconciled between Shipper and Carrier. Carrier, at its discretion, may require advance payment of transportation charges on the volumes to be cleared from Carrier's system, and any unpaid account receivables, before final delivery will be made. Carrier shall have a reasonable period of time, not to exceed ninety (90) days, from the receipt of said notice to complete administrative and operational requirements incidental to Shipper withdrawal not to exceed ninety (90) days.

190. ORIGINATION FACILITIES

Crude Petroleum will be received only from pipelines, tanks, or other facilities that are provided by Shipper or Shipper's designee, or a connecting carrier. Carrier will determine and advise Shippers of the size and capacity of pipeline and tanks to be provided at the point of receipt to meet the operating conditions of Carrier's facilities at such point. Carrier will not accept Crude Petroleum for transportation unless such facilities have been provided.

200. DESTINATION FACILITIES & ACCEPTANCE OF DELIVERY

Carrier will deliver Crude Petroleum to a Shipper at Magellan's designated destination points. Shipper is responsible for arranging adequate facilities and services to receive and take the Crude Petroleum away at the destination points.

If a Shipper is not able to receive Crude Petroleum from Carrier at the time when Carrier has scheduled a delivery and if Carrier has no means of withholding delivery of such Crude Petroleum, then Carrier shall have the right to sell such Crude Petroleum to the first available purchaser at the best price reasonably obtainable; to use the proceeds thereof to pay pipeline transportation charges which shall be due as if delivery had been made; and to pay the balance of such proceeds to Shipper, unless conflicting claims for such remaining proceeds have been received by Carrier in which case Carrier shall be entitled to hold the balance of such proceeds for whomsoever may be entitled thereto.

210. SETTLEMENT OF OVER/SHORT POSITIONS

On the seventh (7th) day of each month (the "Balancing Date"), Carrier will calculate and notify Shipper of its volumetric position on Carrier's system as of the end of the prior month and any imbalance will be settled on the fifth (5th) business day after the Balancing Date (the "Settlement Date") as follows, if not otherwise cured by Shipper prior to the Settlement Date:

<u>Over Position</u>: If Shipper tendered more Barrels to Carrier than Shipper was entitled to inject into Carrier's system pursuant to its confirmed nomination allocation for such month (an "Over Position"), Shipper will pay Carrier a monthly storage fee equal to the number of Barrels in the Over Position multiplied by $3.55 (the "Storage Fee"), beginning with the month in which the Over Position occurs (the "Initial Month") and continuing with each successive calendar month in which the Over Position is not fully reconciled by the first day of such calendar month (a "Successive Month"). Storage Fees will not be prorated if Shipper cures its Over Position after the Settlement Date, in the case of the Initial Month, or after the first day of a Successive Month. Storage Fees will be billed and paid for in accordance with the terms and conditions set forth in Item 110.

Carrier reserves the right, in order to clear its system as it deems necessary, to fully or partially reconcile a Shipper's Over Position by, on 24 hours notice, selling for the best price reasonably obtainable at a private sale any or all Barrels in a Shipper's Over Position. Carrier may be a purchaser at such sale. Out of the proceeds of such sale, Carrier will pay itself all accrued but unpaid Storage Fees and all other applicable lawful charges and necessary expenses of the sale and the balance, if any, shall be held for whomsoever may be lawfully entitled thereto.

<u>Short Position</u>: If Shipper tendered fewer Barrels to Carrier than Carrier delivered on behalf of Shipper for such month (a "Short Position"), Shipper will provide to Carrier at Carrier's East Houston facility the number and type (i.e. WTI, WTS or WTL) of Barrels representing the entire Short Position.

If Shipper fails to fully reconcile its Short Position for any month as provided herein, in addition to any other lawful remedies available to it, Carrier may on 24 hours notice confiscate or sell, for the best price reasonably obtainable at a private sale, any or all Barrels provided to Carrier by Shipper pursuant to Item 180 as whole or partial satisfaction of such Short Position. Carrier may be a purchaser at such sale. Out of the proceeds of such sale, Carrier will pay itself all Short Position and all other applicable lawful charges and necessary expenses of the sale and the balance, if any, shall be held for whomsoever may be lawfully entitled thereto.

215. STORAGE IN TRANSIT (SIT)

When requested via Carrier's nomination process as referenced in Item 70-Nominations, tenders of Crude Petroleum may be stored in-transit under the conditions described below.

- Carrier only provides storage necessarily incident to transportation (Item 30 – Storage). Shippers will be required to provide their own storage facilities at Magellan's East Houston Terminal to the extent Shippers require storage beyond that necessarily incident to transportation. Any connections between such storage facilities and Carrier's pipeline system shall meet Carrier's operational requirements for such connections.
- When Shippers provide such storage facilities, they shall cause accurate records to be kept showing the number of barrels of Crude Petroleum stored in such storage facilities. Carrier shall have access to these records at all reasonable times, to the extent Carrier is not already in possession of such information as a result of its pipeline and storage operations. At no time shall the Barrels of Crude Petroleum stored in such storage facilities exceed the working capacity of such storage facilities. If Carrier has a reasonable basis to believe that Shipper's records are not accurate, if requested by Carrier, Shipper shall certify as to the accuracy of such records. Volumes re-originated from Shipper's storage facilities at Magellan's East Houston Terminal shall never exceed the number of Barrels of Crude Petroleum then stored in such storage facilities.
- When Shippers request Crude Petroleum to be delivered to their own storage facilities at the Magellan East Houston Terminal to be utilized as storage in-transit, such Shippers will be charged the applicable transportation rate from the Origin to the Magellan East Houston Terminal destination. Barrels of Crude Petroleum so moved shall count as a Shipment under Carrier's Pipeline Proration Procedures and, for committed Shippers, shall apply toward such committed Shipper's Minimum Quarterly Payment pursuant to its Payment Commitment Agreement.
- When Crude Petroleum is reshipped out of Shipper's storage facilities from the Magellan East Houston Terminal storage-in-transit destination, Carrier shall collect any applicable transportation charges based on the difference between the rate paid to the Magellan East Houston Terminal delivery point and the rate in effect on the date of the reshipment to final delivery point. Such resulting reshipment payment shall apply toward a committed Shipper's Minimum Quarterly Payment pursuant to its Payment Commitment Agreement.
- Crude Petroleum offered for reshipment under this item shall be accepted for shipment through the nomination process referenced in Item 70-Nominations and only at such times as it shall not interfere with or delay original shipments from the Origin(s) to delivery points. Furthermore, during any prorationing of Carrier's pipeline system, the reshipment of the storage in-transit Barrels will be subordinate to all other shipments nominated for the month. This Item 215 does not create an Origin on Carrier's pipeline system at Magellan's East Houston Terminal.
  Reshipment of storage in-transit Barrels will be governed by all applicable rules and regulations contained in this Tariff, including but not limited to Item 25-Merchantable Oil, Item 40-Minimum Shipments, Item 50-Quality and Quantity of Receipt and Deliveries and Item 70-Nominations.

Please note that the provisions of Section I are hereby amended or supplemented, as applicable, by the provisions of this Section II.

Reference Notes: **[I]** Increase **[D]** Decrease **[W]** Change in wording only **[C]** Cancel **[U]** Unchanged **[N]** New