

# THUNDER CREEK NGL PIPELINE, LLC

LOCAL TARIFF

CONTAINING  
RATES, RULES, AND REGULATIONS  
GOVERNING  
THE TRANSPORTATION OF

**NATURAL GAS LIQUIDS**

BY PIPELINE

**Rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such reference will include supplements hereto and reissues hereof. Specific rules and regulations published in individual tariffs will take precedence over the rules and regulations published herein.**

Issued under the authority of 18 C.F.R. [W] § 342.3 (Indexing) ~~342.4(c) (Settlement Rates)~~

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**ISSUED: January 28, 2022**

**EFFECTIVE: March 1, 2022**

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The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

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## SECTION I RULES AND REGULATIONS

### ITEM 5.     DEFINITIONS

As used in these rules and regulations, the following meanings are applicable:

1.     **“Adequate Assurance of Performance”** has the meaning set forth in Item 70(C).
2.     **“Affiliate”** means, as to any Person, any other Person, whether of a similar or dissimilar nature, which (a) controls, either directly or indirectly, such Person, (b) is controlled, either directly or indirectly, by such Person, or (c) is controlled, either directly or indirectly, by a person or entity which directly or indirectly controls such Person. As used in this definition, “control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.
3.     **“Affiliated Shipper”** means any Shipper who is an Affiliate of any other Shipper.
4.     **“Bakken Specifications”** shall mean the natural gas liquids specifications in ONEOK’s Tariff that are in effect at the time that Product is delivered to ONEOK at a Delivery Point.
5.     **“Barrel”** means forty-two (42) United States gallons at sixty degrees Fahrenheit (60°F).
6.     **“BPD”** means barrels per day.
7.     **“Business Day”** means Monday through Friday, excluding U.S. banking holidays.
8.     **“Carrier”** means Thunder Creek NGL Pipeline, LLC.
9.     **“Committed Shipper”** means any shipper with an effective TSA.
10.    **“Common Stream(s)”** means Product moved through Carrier’s System and associated facilities that is commingled or intermixed with other Product in the System.
11.    **“Delivery Point(s)”** shall mean the point or points where Product is delivered out of Carrier’s System, as such points are specified in this tariff.
12.    **“Consignee”** means the party having ownership of Product transferred to them.
13.    **“Consignor”** means the party which tendered Product to Carrier for Transportation.
14.    **“Encumbered Products”** has the meaning set forth in Item 95(A).
15.    **“FERC”** means the Federal Energy Regulatory Commission.
16.    **“Force Majeure”** means any cause or causes not reasonably within the control of either the Carrier or the Shipper and which, by the exercise of reasonable diligence, the affected party is unable to prevent or overcome, including, but not limited to: acts of God; acts, omissions to act and/or delays in action of federal, state or local government or any agency thereof; strikes, lockouts, work stoppages or other industrial

disturbances; acts of the public enemy; acts of terrorism; wars; blockades; insurrections; sabotage; riots; epidemics; landslides; lightning; earthquakes; fires; storms; floods; washouts; arrests or restraint of governments, rulers or peoples; civil or criminal disturbances; interruptions by governmental or court orders; present and future valid orders of any Governmental Authority; explosions; mechanical failures; breakage or accident to equipment, machinery or lines of pipe, compressors or plants (not due to the negligence or willful misconduct of the affected party) and subsequent repairs; freezing or blockage of lines of pipe, partial or entire failure of production facilities or equipment, treating plants, or transportation facilities or separation facilities; governmental regulations; maintenance; curtailment of, or other inability to obtain equipment, labor, materials or supplies and/or services and/or electric power used in making and/or receiving deliveries hereunder; the inability of either party to acquire, or the delays on the part of a party in acquiring, at reasonable cost and after the exercise of reasonable diligence, approvals, permits, consents, easements and/or rights-of-way; and compliance with Applicable Law. Notwithstanding anything to the contrary set forth in this tariff, none of the following shall, under any circumstance, constitute a Force Majeure event: (a) the lack of financial resources, or the inability of a party to secure funds or make payments as required by this tariff, (b) adverse market, financial or other economic conditions including changes in market conditions that either directly or indirectly affect the demand for or price of Product, or (c) availability of more attractive markets for Product.

17. **“Governmental Authority”** or **“Governmental Authorities”** means any governmental, administrative or regulatory entity, authority, commission, board, agency, instrumentality, bureau or political subdivision, and any court, tribunal or judicial or arbitral body (whether national, federal, state or local or, in the case of an arbitral body, whether governmental, public or private), having jurisdiction over Carrier or Shipper.
18. **“Law”** means any applicable federal, state, local, municipal or other administrative order, constitution, ordinance, law, decree, directive, injunction, order, permit, requirement, statute, regulation, rule or code issued or promulgated by a Governmental Authority.
19. **“Liability”** means any and all actions, causes of action, claims, charges, damages, demands or fines, of any kind or character and related costs (including court costs, reasonable defense costs and attorneys’ fees, settlement costs, and other expenses of litigation), lawsuits, liabilities, losses, obligations, penalties, proceedings, and suits.
20. **“Nomination”** means a written designation by a Shipper to Carrier in accordance with Item 15.
21. **“Off-Spec Product”** has the meaning set forth in Item 25.
22. **“ONEOK”** means ONEOK Bakken Pipeline, L.L.C. (**“ONEOK”**) or any successor or assign that operates ONEOK’s Bakken Pipeline.
23. **“Operating Month”** means any calendar month in which Carrier transports Products for the account of a Shipper. For purpose hereof, the calendar month shall be deemed to begin on the first day of such month at 7:00 AM Mountain Time.

24. “**Open Season**” means that open season held by Carrier beginning on June 10, 2019 to obtain Product dedications on the System, and any supplemental open season held by Carrier to obtain additional commitments on the System.
25. “**Person**” means any individual, corporation, limited liability company, partnership, trust or other entity, or any Governmental Authority.
26. “**Product(s)**” means natural gas liquids.
27. “**ppm**” means parts per million.
28. “**Quality Specifications**” has the meaning set forth in Item 25.
29. “**Receipt Point**” means shall mean the point or points where Product is received into Carrier’s System, as such points are specified in this tariff.
30. “**Shipper**” means any party who gives notice to transport Product under the provisions outlined in Carrier’s tariffs.
31. “**System**” means that portion of Carrier’s pipeline system, including all appurtenances thereto, related to the provision of Transportation provided by Carrier pursuant to Carrier’s tariffs.
32. “**Tender**” or “**Tendered**” means the presentation by a Shipper to Carrier of a stated quantity of Products for transportation from a specified Receipt Point to a specified Delivery Point in accordance with this tariff.
33. “**Transportation**” means transportation and/or movement from a specified Receipt Point(s) to a specified Delivery Point(s), as applicable.
34. “**TSA**” means a transportation services agreement for the Transportation of Products on the System entered into between a Committed Shipper and Carrier pursuant to the Open Season.
35. “**Uncommitted Shipper**” means any Shipper that does not have a currently effective TSA with Carrier, or any Shipper that does have a currently effective TSA with Carrier to the extent such Shipper is shipping above its Volume Commitment.
36. “**Volume Commitment**” means a Committed Shipper’s commitment or deemed commitment of a volume of Products that from one or more Receipt Point(s) to the Delivery Point during the term of such Committed Shipper’s TSA, which commitment amount is set forth in Exhibit A of, and more fully described in, the Committed Shipper’s TSA.

#### **ITEM 10      COMMODITY**

Carrier has no obligation to transport Products that fail to meet the Quality Specifications and will not accept any other commodity for Transportation hereunder. Carrier shall not be required to transport Products except with reasonable diligence, considering the quality of the Products, the distance of Transportation and other material elements. Carrier cannot commit to delivering Products to a particular Delivery Point, at a particular time.

**ITEM 15      NOMINATIONS**

- A. Shippers desiring to ship Products on the System shall furnish Carrier a written notice (“**Nomination**”) by the fifteenth (15th) day of the Operating Month prior to the Operating Month in which Shipper desires Transportation. A Nomination shall specify the type, volume, Receipt Point(s) and Delivery Point(s) of the Products offered to Carrier. If Shipper does not furnish such Nomination, Carrier will be under no obligation to accept such Products for Transportation. In addition, Carrier may refuse to accept Products for Transportation if Shipper has not furnished documentation demonstrating that it has made provision for prompt receipt thereof at the nominated Delivery Point.

**ITEM 20      MINIMUM TENDER**

- A. The minimum tender of Products that will be accepted at all Receipt Points on any day in the aggregate from one or more Shippers shall be 5,000 BPD, provided that Carrier may accept deliveries of less than 5,000 BPD if operationally possible and acceptance may be done so in a non-discriminatory manner.
- B. Carrier may, at its sole discretion and in a non-discriminatory manner, revise the minimum delivery size set forth in this Item 20 when necessary to maintain efficient operation of its System.
- C. Carrier will not be obligated to make any single delivery that is less than the current minimum tender size unless Carrier’s operations dictate otherwise. The term “single delivery” in this Item 20 means a delivery of Product, in one continuous operation to one Shipper or Consignee into a single facility, furnished by such Shipper or Consignee, to which Carrier is connected.

**ITEM 25      QUALITY SPECIFICATIONS**

- A. Shipper shall not Tender Product for transportation on the System unless the Product will be readily susceptible to transportation through the System, such Product will not adversely damage the Common Stream or the System, and such Product otherwise conforms to the specifications set forth in this Item No. 25 (“**Quality Specifications**”).
- B. As a prerequisite to transportation on the System, Shipper’s Product must also conform to the quality specifications of the connecting carrier or facility at the Nominated Delivery Point.
- C. Shipper shall perform applicable tests to ensure that the Product it Tenders to Carrier for delivery on the System conforms to the Quality Specifications. Should spot samples, analyses, or any other test (including tests performed by Carrier) indicate that Shipper has Tended or is to Tender Off-Spec Product, Shipper agrees to stop delivery of such Off-Spec Products to Carrier until such time as it is determined by additional testing that Shipper’s Tenders will meet the definition of Product issued by Carrier.

- D. The Quality Specifications shall apply to each Barrel of Shipper's Tender and shall not be limited to the composite sample of the Tender.
- E. The term "Quality Specifications" means, collectively, the stricter of the Bakken Specifications and the Product specifications set forth in the below table.

PRODUCT SPECIFICATIONS	MINIMUM	MAXIMUM	TEST METHOD	NOTES
1. <u>Composition:</u> Carbon Dioxide, LV% of the Ethane	----	0.35	GPA 2177	
Methane, LV% of Total Components Excluding N2 & CO2	----	0.50	GPA 2177	
Methane, LV% of Ethane	----	1.50	GPA 2177	
Aromatics, LV%	----	10.0	GPA 2186	
Olefins, LV% of Total Stream	----	1.0	GPA 2186	
C4 Olefin, LV% of Normal Butane	----	0.1	GPA 2186	
Hexanes, LV% of Total Purity Natural Gasoline (C5+)	15	----	GPA 2186	
2. <u>Vapor Pressure:</u> PSIG at 100°F	----	600	GPA 2177, Appendix B	
3. <u>Corrosiveness:</u> Copper Strip at 100°F	----	No. 1	ASTM D1838	
4. <u>Volatile Sulfur:</u> PPM by Weight	----	1,200	ASTM D6667	
5. <u>Hydrogen Sulfide (H2S):</u>	Pass	----	ASTM D2420	
6. <u>Carbonyl Sulfide (COS):</u> PPM by Weight of C3 Component	----	15	ASTM D5623 or GPA	
7. <u>Distillation:</u> End Point °F @ 14.7 psia	----	375	ASTM D86	
8. <u>Color:</u> Saybolt Number	+27	----	ASTM D156	

9. <u>Dryness</u> Free Water	----	None @ 34°F	Inspection	
10. <u>Halides</u> (Including Fluorides) PPM by Weight	----	1	ASTM D- 7359 or UOP- 619	
11. <u>Oxygenates</u> PPM by Weight	----	200	UOP-960	
12. <u>Product Temperature</u> °F for product containing 65 mole % or more Ethane	----	90	----	
°F for product containing less than 65 mole % Ethane	----	110	----	
13. <u>Other Deleterious Substances</u>	----	----	INSPECTION	

- F. Carrier reserves the right to reject all Tenders or any part thereof and refuse transportation for such Tender, if Carrier determines that Shipper has delivered volumes into the System that (i) do not conform to the Quality Specifications set forth in this Item No. 25 or those for any connecting carrier or facility, (ii) are not merchantable, (iii) are not readily acceptable for transportation through Carrier's System or any connecting carrier or facility, (iv) would otherwise adversely affect the System or any connecting carrier or facility or other Products on the System or any connecting carrier or facility, and/or (v) would, in the Carrier's sole judgment, expose employees of the Carrier or the System to an undue risk of harm or property damage (collectively, "**Off-Spec Product**"), all of which shall be determined by Carrier, in Carrier's reasonable discretion.
- G. If Shipper delivers Off-Spec Product to the System: (i) Carrier may accept such Shipper's delivery if Carrier determines that the quality of the Common Stream will nonetheless meet the specifications set forth in this Item No. 25; and (ii) if Carrier does make such a determination as provided for in Item No. 4(F)(i), Carrier may exclude such Shipper from further entry into applicable segments of Carrier's System until such time as the Shipper returns the quality of its Product to a level satisfactory to Carrier. Nothing contained in this tariff, any other tariff filing, any pipeage contract or any other document, nor any receipt by Carrier of Off-Spec Product (either unknowingly, as a temporary accommodation, or in its sole discretion), shall be construed to affect the Carrier's right, at any time and from time to time, to reject Tenders of Off-Spec Product and to refuse or suspend receipt of such Off-Spec Product until it is established to such

- Carrier's reasonable satisfaction that subsequent deliveries of Product will conform to the applicable Quality Specifications.
- H. Carrier is not responsible for monitoring receipts or deliveries for contaminants. Further, Carrier reserves the right to dispose of any Off-Spec Product on Carrier's System. Disposal thereof may be made in any reasonable manner including but not limited to commercial sales. Any liability associated with the contamination or disposal of any Off-Spec Product shall be borne by the Shipper introducing the Off-Spec Product into Carrier's System. Shipper liability includes, but is not limited to, the cost of such disposal or, claims from other Shippers, carriers, or users of the Off-Spec Product and the costs of any regulatory or judicial proceeding.
- I. If Shipper injects Off-Spec Product into the System, Carrier reserves the right to charge the Shipper all of (i) the actual costs and expenses incurred by Carrier to treat, handle, or otherwise dispose of all such Off-Spec Product, and (ii) any charges that downstream pipelines or purchasers assess against Carrier or for which Carrier is responsible for relating to the injection of Product into their systems that do not meet their quality specifications.

**ITEM 30      RECEIPT AND DELIVERY FACILITIES**

- A. Shipper shall provide, or cause its designee to provide, the facilities necessary to deliver Products to Carrier's manifold at (1) a current pumping rate equal to Carrier's full line pumping rate at the point of delivery into the System, and (2) a current minimum pressure to be designated by Carrier. Carrier will make decisions on acceptance of Products at less than Carrier's full line pumping rate in a non-discriminatory manner.
- B. Shipper shall provide, or cause its designee to provide, the facilities necessary for promptly receiving Product at the Delivery Point as it arrives at the full line delivery rates and pressure as designated by Carrier. Carrier's Operations Department can be contacted for current applicable rates.
- C. All proposed receiving or delivery connections must meet minimum Nomination, hourly flow rate conditions and metering requirements in effect at the time of requested connection and must also have facilities which will allow for increases to maximum line flow rate and pressure conditions.
- D. Carrier's acceptance of Products from any Shipper's facility or delivery of Products to any Shipper's facility shall not evidence Carrier's approval of the adequacy of such Shipper's facilities. The responsibility for such facilities shall be exclusively that of the Shipper.
- E. Carrier shall have no duty to provide Transportation to Shipper until evidence satisfactory to Carrier has been furnished that the facilities required in this Item 30 have been provided.
- F. Carrier may, at any time upon notice, review receiving and delivery facilities to determine if such facilities are incapable of injecting or receiving at Carrier's existing flow rates or throughput rates, and if there are such restricted facilities, Shippers using

such facilities will be subject to reduction of up to one-hundred percent (100%) of the quantity nominated from or to the restricted facility. Carrier reserves right to adjust allocations at restricted facilities in order to maximize the total available capacity of the System.

### **ITEM 35     TESTING**

Shipper shall be required to furnish Carrier with a certificate from a licensed petroleum inspector setting forth the final tests showing the specifications of shipments of Products to be transported on Carrier's System at reasonable intervals, provided, Shipper shall not be required to provide such certificates more often than each calendar quarter, unless evidence exists to suggest that Shipper's Product does not meet the Quality Specifications.

### **ITEM 40     MEASUREMENT AND VOLUME CORRECTIONS**

- A. When received, Products will be gauged or metered and may be tested by a representative of Carrier, and Shipper or Consignee shall have the privilege of being present or represented at the gauging, metering and/or testing, provided such witnessing does not unreasonably interfere with Carrier's operation of the System. Should Shipper or Consignee not avail themselves of the right to be present at the time or times of measuring and testing pursuant to the terms of this Item No. 40, then, and in that event, it shall be presumed that Carrier's records of quantities of Products received or delivered by Carrier are correct, absent fraud or manifest error. All measurements and tests performed by Carrier shall be determinative unless they are contested within ninety (90) days of receipt of appropriate documentation by Shipper.
- B. Products shall be received and delivered on the basis of volume corrected for temperature from observed degrees Fahrenheit to the basis of sixty (60) degrees Fahrenheit and pressure from observed values to zero P.S.I.G. The net balance at sixty (60) degrees Fahrenheit will be the quantity deliverable by Carrier, except as otherwise provided in Item No. 45. Quantities shall be corrected as to temperature from observed temperatures to 60°F. Full deduction shall be made for all water and other impurities.

### **ITEM 45     GAINS OR LOSSES**

Shippers are responsible for pipeline gains and losses (including component imbalances), calculated as the difference between measured receipts and measured deliveries. Gains or losses will be apportioned according to each Shipper's proportionate share of measured deliveries, provided, no Shipper shall be assessed losses greater than 0.001% under normal operating conditions.

### **ITEM 50     MIXTURES**

Product will be accepted for transportation only on condition that it shall be subject to such changes in characteristics, while in transit as may result from the mixture with other Products, and Carrier shall be under no obligation to make delivery of the identical Product received, but may make delivery out of common stock. The right of Carrier to make such deliveries out of common

stock and the requirement that Shipper accept delivery of Common Stream Products, the characteristics of which may have been changed due to mixing with other Products, shall be a prerequisite for shipping.

**ITEM 55     STORAGE**

Carrier does not furnish storage facilities or services at origins or destinations.

**ITEM 60     APPLICATION OF RATES FROM INTERMEDIATE POINTS**

Products accepted for Transportation from/to any point on Carrier's lines not named in Carrier's tariffs will be deemed as having been received/delivered at the next more distant point named in the tariff for purpose of determining the rate to be charged.

**ITEM 65     PAYMENT OF CARRIER CHARGES**

- A. Unless other arrangements have been required by Carrier, in advance, Shipper will be invoiced by the last day of the Operating Month following the Operating Month in which the shipment was completed, and payment will be due by wire transfer of immediately available funds on the tenth (10<sup>th</sup>) day following receipt of such invoice. Whenever any payment of Carrier's charges shall be stated to be due on a day that is not a Business Day, then payment shall be due on the next succeeding Business Day.
- B. Shipper or Consignor shall be obligated to pay Carrier all charges and fees upon Carrier's performance of the designated service(s). Payment of such charges and fees shall be made in accordance with invoice terms and these rules and regulations.
- C. Shippers shall settle inventory imbalances within a reasonable timeframe and in a mutually agreed upon manner. If no agreement can be reached, Carrier reserves the right to withhold Products or settle the balance financially at a fair market value.
- D. If any charge remains unpaid after the payment due date, then Carrier shall have the right to assess interest, calculated at an annual rate equivalent to 125% of the prime rate as quoted by a major New York bank, for loans made to substantial and responsible commercial borrowers, on such amount due from the payment due date of the invoice to the date payment is received by Carrier.
- E. In the event Shipper fails to pay any charges when due, Carrier shall have the right, until such payments, including interest thereon, are made in full, to: (i) refuse to provide Shipper access to Carrier's System or provide services pursuant to Carrier's tariffs, (ii) offset the current and future amounts owed by Shipper against any amounts Carrier owes to Shipper, and (iii) exercise any other rights and remedies granted under this tariff or existing under applicable law.
- F. Carrier shall have a self-executing lien on all Products delivered to Carrier to secure the payment of any and all Transportation or any other charges that are owed Carrier. Such lien shall survive delivery of Products to Shipper. Such lien shall extend to all Products, including Shipper's line fill and inventory balances, in Carrier's possession

beginning with Shipper's first receipt of Transportation or other services from Carrier. If a bill of lading is required under applicable law for such a lien to arise, acceptance of the Nomination will be deemed to be the bill of lading for Products including Shipper's line fill, subject to such Nomination. The lien provided herein shall be in addition to any lien or security interest provided by this tariff or applicable law.

- G. If Shipper fails to pay an invoice by the due date, in addition to any other remedies under this tariff or under applicable law, Carrier shall have the right, either directly or through an agent, to sell any Products of such Shipper in Carrier's custody at public auction. The auction will be held between the hours of ten o'clock a.m. and four o'clock p.m. Mountain Time on any day not a weekend or legal holiday, and not less than twenty-four (24) hours after the Shipper has been officially notified of the time and place of such sale and the quantity, general description, and location of the Products to be sold. At said sale, Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. The proceeds of any sale shall be applied in the following order: (i) to the reasonable expenses of holding, preparing for sale, selling, and to the extent allowed by law, reasonable attorney's fees and legal expenses incurred by Carrier; and (ii) to the satisfaction of Shipper's indebtedness including interest herein provided from the date payment is due. The balance of the proceeds of the sale remaining, if any, shall be paid to Shipper or, if there is a dispute or claim as to entitlement, held for whoever may be lawfully entitled thereto. Carrier will have a claim for and against Shipper with respect to any deficiency arising from the debt due to Carrier from Shipper and the proceeds of any sale after reduction as set forth above.

#### **ITEM 70      FINANCIAL ASSURANCES**

- A. All (i) existing Shippers who have not submitted a Nomination to Carrier in the prior six (6) Operating Months, and (ii) prospective Shippers shall provide to Carrier, at least ten (10) business days prior to making their Nomination, information that will allow Carrier to determine the Shipper's capacity to perform any financial obligations that could arise from the Transportation of that Shipper's Products under the terms of Carrier's tariffs. Carrier shall not be obligated to accept Products for Transportation from an existing or prospective Shipper if the Shipper or prospective Shipper fails to provide the requested information to Carrier in accordance with this Item 70 within ten (10) business days of Carrier's written request.
- B. At any time, upon the request of Carrier, on a non-discriminatory basis, any prospective or existing Shipper who is not a publicly-traded entity shall provide financial documentation and information to Carrier that will allow Carrier to enforce the terms of its tariff and to determine the prospective or existing Shipper's capacity to perform any financial obligations that could arise from the Transportation of that Shipper's Products under the terms of Carrier's tariffs, including but not limited to the payment of Transportation charges and Shipper's balance positions. Such information may include, but is not limited to, the names of any Affiliates of the Shipper or prospective Shipper, the legal business name of the Shipper or prospective Shipper and the registered business address of the Shipper or prospective Shipper.

- C. If Carrier determines, at any time, that there are reasonable grounds for insecurity regarding the performance of any obligation under this tariff (whether or not then due) by a Shipper or prospective Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper), Carrier may demand Adequate Assurance of Performance, which shall be furnished within five (5) days of such demand. “**Adequate Assurance of Performance**” shall mean sufficient security in the form, amount and for the term reasonably acceptable to Carrier, including, but not limited to, a standby irrevocable letter of credit or a performance bond or guaranty (including the issuer of any such security). In the event the Shipper or prospective Shipper fails to comply with any obligation in this Item 70 on or before the due date provided herein, Carrier shall not be obligated to provide Shipper with access to its System or to provide the Transportation services pursuant to this tariff until such requirement is fully met. Carrier’s decision to withhold services to a Committed Shipper pursuant to this Item 70 shall not relieve the Committed Shipper of its obligation to make shortfall payments under its TSA.

#### **ITEM 75      APPLICATION OF RATES**

Products accepted for Transportation shall be subject to the rates in effect on the date of receipt by Carrier at the Receipt Point, irrespective of the date of the Nomination. Transportation and all other lawful charges will be assessed on the net quantity of Products delivered at the Delivery Point. All net quantities will be determined in the manner provided in Item Nos. 40 and 45.

#### **ITEM 80      CLAIMS, SUITS AND TIME FOR FILING**

As a condition precedent to recovery by Shipper for loss, damage or delay in receipt or delivery of Shipper’s Products for which Carrier may be responsible, Shipper’s claim must be filed in writing with Carrier within nine (9) months after delivery of the affected Products, or, in case of Carrier’s failure to make delivery of Shipper’s Products, then within nine (9) months after a reasonable time for delivery has elapsed. Suit against Carrier shall be instituted only within two (2) years and one (1) day from the day when notice in writing is given by Carrier to Shipper that Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims are not filed or suits are not instituted by Shipper on such claims in accordance with the foregoing provisions, such claims will not be paid and Carrier shall not be liable.

#### **ITEM 85      LIABILITY**

- A. While in the possession of any Products herein described, Carrier shall not be liable for, and Shipper hereby waives any claims against Carrier for, any loss thereof, damage thereto or delay caused by an event of Force Majeure, an act of Shipper himself, an act of God, the public enemy, accident, government regulation, the inherent vice or nature of the Products, the public authority, or resulting from any other causes not due to the negligence of Carrier, whether similar or dissimilar to the causes herein enumerated.
- B. Carrier shall not be liable for any loss or damage to Products incurred prior to delivery of the Products to Carrier at the Receipt Points and after re-delivery of the Products to Shipper at the Delivery Points.

- C. In the event of loss of Products from any of the causes identified in Item 85(A) and subject to the other provisions of this tariff, Shipper shall bear the loss in the same proportion as the amount accepted for Transportation and actually in Carrier's custody bears to the whole of the property of all Shippers in Carrier's custody at the time of such loss and Shipper shall be entitled to receive only such portion of its shipment as is left after deducting its due proportion of the loss. Statements of quantities ascertained and computed from the records in the usual manner by Carrier shall be accepted as prima facie correct in the distribution of such losses under this Item 85.

**ITEM 90      TITLE**

A tender of Products for Transportation shall be deemed a warranty of unencumbered title and merchantability at the time of tender. Carrier may, in the absence of such adequate title assurances, decline to receive any Products for Transportation.

**ITEM 95      PRODUCTS INVOLVED IN LITIGATION, ETC. – INDEMNITY AGAINST LOSS**

- A. Shipper shall inform Carrier, at the time of Nomination and then again prior to tendering Products to Carrier, if any Products Nominated and/or tendered to Carrier for Transportation may be (i) encumbered by a lien or charge of any kind, (ii) may be involved in litigation or, (iii) may be subject to a title dispute (“**Encumbered Products**”). When any Encumbered Products are Nominated and/or tendered for Transportation, Carrier may require Shipper to provide one or more of the following: (i) satisfactory evidence of its perfected and unencumbered title, (ii) satisfactory indemnity bond to protect Carrier against any and all loss, (iii) pre-payment of transportation charges, or (iv) a subordination agreement from the applicable lienholder. Carrier also has the right to refuse any shipment of Encumbered Products.
- B. Shipper warrants that it has good title to, or the unencumbered right to ship the Products hereunder and tendered at the Receipt Point(s), and that such Products are free of all liens and adverse claims of any kind and shall indemnify, release and hold Carrier harmless against all such liens and adverse claims; provided that acceptance for Transportation shall not be deemed a representation by Carrier as to title.
- C. In addition, Shipper shall not cause or permit any lien, security interest or other form of burden be filed or created with respect to Products in Carrier's possession, except for the lien created in favor of Carrier under Item 65(F) of this tariff.

**ITEM 100      CHARGE FOR SPILL COMPENSATION**

Except as may be provided in any TSA, in addition to the Transportation charges and all other charges accruing on Products accepted for Transportation, a per Barrel charge will be assessed and collected in the amount of any tax, fee, or other charge levied against Carrier in connection with such commodity, pursuant to any Federal, State or local act or regulation that levies a tax, fee, or other charge, on the receipt, delivery, transfer or Transportation of such commodities within their jurisdiction for the purpose of creating a fund for the prevention, containment, clean up and/or removal of spills and/or the

reimbursement of Persons sustaining loss therefrom. If a charge is to be established, it will be filed in a FERC-regulated tariff.

**ITEM 105     ACCEPTANCE OF DELIVERY**

On twenty-four (24) hours' notice to Shipper or Consignee, Carrier may begin delivery of a shipment to Shipper or Consignee at its current rate of pumping. If all of such shipment cannot be received by Shipper or Consignee, Carrier shall have the right to assess a demurrage charge on each day of twenty-four (24) hours or fractional part thereof on any part of shipment offered for delivery and not taken by Shipper or Consignee from the time said notice expires. The daily demurrage charge shall be calculated by multiplying the tariff rate then applicable to Shipper by the volume of any shipment offered for delivery and not taken by Shipper or Consignee.

If a Shipper or Consignee is unable or refuses to receive Products from Carrier at the time when Carrier has scheduled a delivery, and if Carrier has no means of withholding delivery of such Products, Carrier shall have the right to clear its line and sell such Products and apply the proceeds thereof to accrued Transportation charges and all other lawful charges and fees which shall be due as if delivery of such Products had been made at the rate specified in the applicable tariff; and to hold the balance of such proceeds for whomsoever may be entitled thereto.

**ITEM 110     SEPARATE PIPELINE AGREEMENTS**

Separate agreements, if applicable, in association with pipeline connections or other facilities ancillary to Carrier's System and in accordance with this tariff shall be required of any Shipper before any obligation to provide Transportation shall arise.

**ITEM 115     LINE FILL AND TANK BOTTOM INVENTORY**

Carrier will, in its sole discretion, either provide line fill and/or require each Shipper to supply its Deemed Volume Commitment or a pro rata share of Products necessary for line fill to ensure efficient operation of Carrier's System, which Carrier may adjust periodically. Products provided by Shippers for this purpose may be withdrawn only after: (1) shipments have ceased and Shippers have notified Carrier in writing to discontinue shipments in Carrier's System; and (2) Shipper balances have been reconciled between Shippers and Carrier. Carrier, at its sole discretion, may require advance payment of transportation charges on the volumes to be cleared from Carrier's system, and any unpaid accounts receivable, before final delivery will be made. Carrier shall have a reasonable period of time from the receipt of such notice to complete administrative and operational requirements incidental to Shipper withdrawal.

**ITEM 120     PRORATIONING**

When Carrier receives Nominations in excess of available capacity, capacity shall be allocated in accordance with the Proration of Pipeline Capacity, dated January 30, 2020, which is published on Carrier's public website.

**SECTION II**  
**RATES APPLICABLE TO TRANSPORTATION OF PRODUCT**

<b>Receipt Point</b>	<b>Delivery Point</b>	<b>Volume Tier</b> (Volumes stated in barrels per day) [3]	<b>Committed Rate</b> (Rates stated in cents per gallon) [4]	<b>Uncommitted Rate</b> (Rates stated in cents per gallon) [4]
Receipt Points in Campbell and Converse Counties, Wyoming [1]	Delivery Points in Converse County, Wyoming [2]	< 2,499	[U] 10.9359	[D] <u>10.7340</u>
		2,500-4,999	[U] 8.7528	[D] <u>8.5852</u>
		5,000-8,000	[U] 7.9265	[D] <u>7.7718</u>
		8,001-14,999	[U] 3.2950	[D] <u>3.2131</u>
		15,000-24,999	[U] 1.5302	[D] <u>1.4760</u>
		25,000+	[U] 1.0201	[D] <u>0.9740</u>

[1] Receipt Points: 50 Buttes Natural Gas Processing Plant and Steamboat I natural gas processing plant.

[2] Delivery Point: interconnection point at ONEOK Hydrocarbon, L.P. at the interconnect with ONEOK Bakken Pipeline, L.L.C. at Well Draw in the NW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> of Section 3, T35N, R70W, Converse County, Wyoming.

[3] Volumes are calculated as the Monthly average daily volume delivered by all Shippers on the System to the Receipt Point and not based on deliveries by any particular Shipper. All Shippers will receive a proportionate share of all applicable rates each Month. Thus, even though a Shipper delivers less than the first volume tier, if the Monthly average daily volume exceeds the first volume tier, more than one rate tier would still apply to such Shipper in such Month. Volumes delivered by Committed Shippers and Uncommitted Shippers will be separately allocated to each tier in proportion to the total volumes delivered by all Shippers each Month. See two examples on **Annex II-A**.

[4] The rates per gallon in the above table apply to the portion of the Monthly average daily volume delivered at the Receipt Point that falls within the applicable volume and rate tier; thus one or more rate tiers may apply each Month.

**Annex II-A**

**Example 1:**

[N] The numbers in the below example are for example purposes only.

		# Days in Month	30
		Committed BPD	10,000
		Uncommitted BPD	2,000
		Gallons per Month	15,120,000
Committed Shipper	Volume Tier (Bbls/d)	Rate per Gallon	Monthly Fees
83%	2,499	\$0.109359	\$ 286,953
	4,999	\$0.087528	\$ 229,761
	8,000	\$0.079265	\$ 249,768
	14,999	\$0.032950	\$ 138,390
	24,999	\$0.015302	\$ -
	25,000+	\$0.010201	\$ -
Uncommitted Shipper			
17%	2,499	\$0.109053	\$ 57,230
	4,999	\$0.087222	\$ 45,792
	8,000	\$0.078959	\$ 49,761
	14,999	\$0.032644	\$ 27,421
	24,999	\$0.014996	\$ -
	25,000+	\$0.009895	\$ -
		Blended Committed Rate \$/g	\$ 0.07182
		Blended Uncommitted Rate \$/g	\$ 0.07154
		Weight Avg Rate	\$ 0.07177

**Example 2:**

[N] The numbers in the below example are for example purposes only.

		# Days in Month	28
		Committed BPD	19,000
		Uncommitted BPD	4,500
		Gallons per Month	27,636,000
Committed Shipper	Volume Tier (Bbls/d)	Rate per Gallon	Monthly Fees
81%	2,499	\$0.109359	\$ 259,845
	4,999	\$0.087528	\$ 208,056
	8,000	\$0.079265	\$ 226,173
	14,999	\$0.032950	\$ 219,273
	24,999	\$0.015302	\$ 123,683
	25,000+	\$0.010201	\$ -
Uncommitted Shipper			
19%	2,499	\$0.109053	\$ 61,370
	4,999	\$0.087222	\$ 49,104
	8,000	\$0.078959	\$ 53,360
	14,999	\$0.032644	\$ 51,451
	24,999	\$0.014996	\$ 28,708
	25,000+	\$0.009895	\$ -
		Blended Committed Rate \$/g	\$ 0.04641
		Blended Uncommitted Rate \$/g	\$ 0.04611
		Weight Avg Rate	\$ 0.04635

**Explanation of Reference Marks**

- [D] Decreased rate
- [N] New
- [U] Unchanged rate
- [W] Change in wording only