

FORM OF SERVICE AGREEMENT
(For Use Under Seller's Rate Schedule PAL Section 2.1(b))
Loaning Service

THIS AGREEMENT entered into this _____ day of _____, _____ (year), by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as "Seller," first party, and _____, hereinafter referred to as "Buyer," second party,

WITNESSETH

WHEREAS,

NOW, THEREFORE, Seller and Buyer agree as follows:

ARTICLE I
GAS SERVICE

1. Subject to the terms and provisions of this agreement (including Exhibit A hereto) and of Seller's Rate Schedule PAL, Buyer agrees to receive or cause gas to be received from Seller and Seller agrees to (a) advance to Buyer a quantity of gas (Loaned Quantity) up to the maximum daily quantity specified in the executed Purchase Order, at the available Point(s) of Service; and (b) the receipt by Seller of Buyer's return of the Loaned Quantity at the available Point(s) of Service. Buyer shall make any necessary arrangements with Seller to receive or deliver gas to Seller at the available Point(s) of Service; provided, however, that such arrangements shall be compatible with the operating conditions of Seller's pipeline system and shall provide for coordinated scheduling with Seller.
2. For each of Buyer's Loaning Service transactions with Seller, Buyer and Seller shall execute a Purchase Order in the form attached hereto as Exhibit A.
3. Service rendered hereunder shall be subject to curtailment or interruption at Seller's sole discretion. In the event Seller is unable to provide the level of Loaning Service requested by all Buyers under Rate Schedule PAL, then Seller shall allocate available Loaning Service among such Buyers in accordance with Section 6 of Seller's Rate Schedule PAL.

ARTICLE II
ADVANCEMENT TRANSACTION POINT(S)

Seller shall render Loaning Service to Buyer at the available Point(s) of Service posted on 1Line from time to time and specified in the executed Purchase Order.

ARTICLE III
TERM OF AGREEMENT

This agreement shall be effective as of _____, _____ (year) and shall remain in force and effect through _____, _____ (year) and thereafter until terminated by Seller or Buyer upon at least thirty (30) days' written notice to the other specifying a termination date; provided, however, this agreement shall terminate immediately and, subject to the receipt of necessary authorizations, if any, Seller may discontinue service hereunder if (a) Buyer, in Seller's sole judgment, fails to demonstrate credit worthiness, and (b) Buyer fails to provide adequate security in accordance with Section 32 of the General Terms and Conditions of Seller's Volume No. 1 Tariff.

ARTICLE IV
RATE SCHEDULE AND PRICE

1. Buyer shall pay Seller for service hereunder in accordance with Seller's Rate Schedule PAL and the applicable provisions of the General Terms and Conditions of Seller's FERC Gas Tariff as filed with the Federal Energy Regulatory Commission, and as the same may be legally amended or superseded from time to time. Such Rate Schedule and General Terms and Conditions are by this reference made a part hereof.

2. Buyer shall reimburse Seller for any and all filing fees incurred as a result of Buyer's request for service under this Rate Schedule, to the extent such fees are imposed upon Seller by the Federal Energy Regulatory Commission or any successor governmental authority having jurisdiction.

ARTICLE V
MISCELLANEOUS

1. This agreement supersedes and cancels as of the effective date hereof the following contract(s) between the parties hereto:

2. No waiver by either party of any one or more defaults by the other in the performance of any provisions of this agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different character.

3. The interpretation and performance of this agreement shall be in accordance with the laws of the State of Texas, without recourse to the law governing conflict of laws, and to all present and future valid laws with respect to the subject matter, including present and future orders, rules and regulations of duly constituted authorities.

4. This agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors.

5. Notices to either party shall be in writing or by telecopy or by telephone and shall be considered as duly delivered to the other party at the following address:

(a) If to Seller:

Transcontinental Gas Pipe Line Corporation
P. O. Box 1396
Houston, Texas 77251
Attention:

(b) If to Buyer:

Such addresses may be changed from time to time by appropriate notice thereof to the other party.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed by their respective officers or representatives thereunto duly authorized.

TRANSCONTINENTAL GAS PIPE LINE
CORPORATION
(Seller)

By _____

(Buyer)

By _____

Exhibit A

Purchase Order

Reference is made to that Service Agreement entitled "Service Agreement For Use Under Seller's Rate Schedule PAL Section 2.1(b), Loaning Service" by and between Seller and _____ (Buyer), dated _____, _____ (year).

Seller and Buyer agree, pursuant to the referenced service agreement, to a Purchase Order under the following terms:

Term of Purchase Agreement:

Service beginning on _____, _____ (year)

Service ending on _____, _____ (year)

Daily Loaning Charge

(¢ per dt per day of Loaned Quantity) _____

Transaction Point of Service _____

Maximum Loaned Contract Quantity _____

Maximum Daily Loaned Quantity _____

Maximum Daily Loan Payback Quantity _____

If you are in agreement, please indicate by executing below.

TRANSCONTINENTAL GAS PIPE LINE
CORPORATION
(Seller)

By _____

(Buyer)

By _____