

FIRM GAS PURCHASE AGREEMENT
FOR
SYSTEM MANAGEMENT GAS

THIS AGREEMENT is entered into as of the ____ day of _____, 2012, between Transcontinental Gas Pipe Line Company, LLC, hereinafter referred to as "Transco", and XXXX hereinafter referred to as "Supplier".

W I T N E S S E T H:

WHEREAS, pursuant to Section 43 of the General Terms and Conditions of Transco's FERC Gas Tariff, Transco is permitted to purchase system management gas ("SMG") in the event that conditions exist which threaten the operational integrity of Transco's system; and

WHEREAS, Supplier in response to and in accordance with Transco's request for bids pursuant to Section 43, submitted a bid to sell on a firm basis, pursuant to the terms of this Agreement, a daily quantity of natural gas during the period from November 1 through November 30, 2012; and

WHEREAS, Transco has accepted Supplier's offer and desires to purchase on a firm basis, pursuant to the terms of this Agreement, such daily quantity of natural gas;

NOW THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereby agree as follows:

ARTICLE I.
DEFINITIONS

The following words and terms wherever used in this Agreement shall have the following meaning:

A. "BTU" shall mean British Thermal Unit; "MMBtu" shall mean one million (1,000,000) British Thermal Units.

B. "Contract Period" shall mean that thirty (30) day period beginning at 9:00 a.m. Central Time on November 1, 2012 and ending at 9:00 a.m. Central Time on December 1, 2012.

C. "Contract Price" shall mean that price per MMBtu set forth in Article III below.

D. "Daily Contract Quantity" shall mean _____MMBtu of natural gas per Day.

E. "Day" shall mean a period beginning at 9:00 A.M. Central Time on a calendar day and ending at 9:00 A.M. Central Time on the next calendar day.

F. "Supply Point" shall mean Transco's SMG Location No. 9007002 located at the interconnection with DCP - LaGloria on Transco's mainline pipeline system in Jim Wells County, Texas and/or Transco's SMG Location No. 9007003 located at the interconnection with Humble Gas Pipeline - King Ranch in Kleberg County, Texas. The receipt point(s) for such gas shall be Transco's interconnection with DCP Midstream, LP (LaGloria Meter No. 1004, Location No.9001320) located on Transco's mainline

pipeline system in Jim Wells County, Texas and/or Transco's interconnection with Humble Gas Pipeline Company (King Ranch Meter No. 1637, Location No. 1008773) located on Transco's mainline pipeline system in Kleberg County, Texas. The gas must physically enter Transco's system at the receipt point(s). Supplier will nominate the gas on a Transco transportation agreement from the receipt point(s) to the Supply Point. No transportation charges will be assessed for this transaction.

G. "Gas" or "natural gas" shall mean merchantable natural gas that meets specifications for gas to be transported pursuant to Transco's FERC Gas Tariff, including, but not limited to, quality, and temperature.

H. "Schedule" or "scheduled" shall refer to the act of Transco and Supplier notifying, requesting, and confirming to each other the quantity of gas to be delivered by Supplier hereunder on any given Day during the Contract Period.

ARTICLE II. QUANTITY

A. Subject to Paragraph B below, Supplier agrees to sell and deliver at the Supply Point on a firm basis and Transco agrees to receive and purchase at the Supply Point on a firm basis, on each Day of the Contract Period, the Daily Contract Quantity.

B. Supplier's deliveries of gas on any one Day may vary by up to ten percent (10%) of the Daily Contract Quantity, or such other variance as the parties may mutually agree to from time to time, provided that Supplier's total deliveries during the Contract Period shall equal the product of the Daily Contract Quantity and 30 Days (the number of Days in the Contract Period) and further provided that Supplier shall schedule in advance the quantities to be delivered on any Day and complies with Transco's nomination and scheduling deadlines.

C. Subject to the tolerances set forth in the preceding paragraph, Supplier is obligated to schedule, or cause to be scheduled, and to deliver, or cause to be delivered to Transco at the Supply Point, (1) on a daily basis, the Daily Contract Quantity of Gas, and (2) on a monthly basis, the product of the Daily Contract Quantity and the number of Days in the Contract Period. If Supplier fails to satisfy such obligation and Transco's Replacement Price, as defined below, is more than the Contract Price, then Supplier shall be liable for and shall pay to Transco the sum of (a) a dollar amount equal to the product of (i) the difference between the Replacement Price and the Contract Price multiplied by (ii) the difference between the quantity of gas which Supplier was obligated to deliver and the quantities actually delivered by Supplier at the Supply Point and (b) a dollar amount equal to any other costs which Transco in good faith incurs in buying the gas. The "Replacement Price" shall be the price at which Transco, acting in good faith, is able to purchase comparable supplies. The foregoing shall not be Transco's sole remedy for Supplier's failure to satisfy its obligations hereunder, and shall be in addition to any and all other rights and remedies available to Transco.

D. Supplier recognizes that Transco is both the purchaser of gas pursuant to this Agreement and is the pipeline receiving gas at the Supply Point. Supplier shall obtain transportation to the Supply Point, and it is Supplier's obligation to arrange transportation on Transco's pipeline, and on any upstream pipelines, which is necessary and adequate to effectuate delivery at the Supply Point of the quantities of gas which Supplier is required herein to deliver. Supplier's delivery obligations hereunder shall not be satisfied unless such gas is delivered to Transco at the Supply Point in accordance with Transco's normal practices as a transporter of gas. All nominations for delivery will be scheduled in accordance with Transco's applicable transportation nomination and allocation deadlines.

ARTICLE III.
PRICE

A. The Contract Price payable for all gas delivered and received in accordance with the terms of this Agreement shall be \$XXXX per MMBtu.

B. Transco is buying gas under this Agreement in order to obtain gas for an in-line pipeline inspection operation. Transco recognizes that, even if gas is accounted for as being received at the Supply Point thereunder pursuant to the terms of Transco's transportation rate schedules and the service agreements executed thereunder, Transco's purpose under this Agreement of purchasing gas for the in-line pipeline inspection operation will not be achieved unless gas is physically received at a uniform hourly rate into Transco's system at the Supply Point. Therefore, in the event that Supplier provides Transco with less than the contract volume (the product of the Daily Contract Quantity and 30 Days during the Contract Period), the price per MMBtu for all gas delivered and received under this Agreement shall be decreased to the weighted average cash-out Buy price paid by all buyers for imbalances during the Contract Period pursuant to Section 37 of Transco's FERC Gas Tariff, less ten cents per MMBtu.

C. Supplier shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any governmental authority ("Taxes") on or with respect to the gas prior to Transco's receipt of gas at the Supply Point. Transco shall pay or cause to be paid all Taxes on or with respect to the Gas upon or after Transco's receipt of gas at the Supply Point, including all sales or gross receipts taxes.

ARTICLE IV.
QUALITY OF GAS

The gas delivered hereunder shall be merchantable natural gas that meets the specifications for gas to be transported pursuant to Transco's FERC Gas Tariff, including, but not limited to, quality and temperature.

ARTICLE V.
METERING AND MEASUREMENT

The volume of gas delivered hereunder shall be the volume of gas measured and allocated as delivered to Transco at the Supply Point in compliance with Transco's generally applicable measurement and allocation requirements and practices.

ARTICLE VI.
TITLE AND LIABILITY

A. Title to, possession of, and risk of loss of gas shall pass from Supplier to Transco at the Supply Point.

B. As between the parties hereto, Supplier shall be in exclusive control and possession of the gas and responsible for any damage or injury caused thereby until same shall have been received by Transco at the Supply Point, after which receipt Transco shall be deemed to be in exclusive control and possession thereof and responsible for any injury or damage caused thereby.

C. Supplier warrants that Supplier has good title to all gas so delivered, that Supplier has the right to sell such gas to Transco, and that such gas shall be free from all liens, encumbrances, and claims.

ARTICLE VII.
BILLING AND PAYMENT

A. On or before the tenth (10th) Day after the Contract Period, Transco shall render a statement to Supplier showing the amount of gas delivered by Supplier during the Contract Period, together with payment in the amount due therefor.

B. If Transco fails to remit the full amount payable by it when due, interest on the unpaid portion shall accrue at a rate equal to the lower of (i) the interest rate as defined in the Federal Energy Regulatory Commission's Code of Federal Regulations Section 18CFR154.501d(1).

C. The parties shall have the right, upon reasonable notice and at reasonable times, to examine the books and records of the other to the extent reasonably necessary to verify the accuracy of any statement, payment demand, charge, payment, or computation made under this Agreement; provided, however, that any such audit and any claim based upon errors in any statement, payment demand, charge, payment or computation must be made within one (1) year of the date of such statement.

ARTICLE VIII.
NOTICES

All billings, payments, statements, notices, and communications made pursuant to this Agreement shall be made as follows:

BUYER
Transcontinental Gas Pipe Line Company, LLC
P.O. Box 1396
Houston, Texas 77251-1396
Attention: Customer Services - Production Area
Telephone: (713) 215-3087 or (713) 215-2646
Facsimile: (713) 215-4608

SUPPLIER
Company
Address
Address
Attention:
Telephone:
Facsimile:

Either party may modify any information specified above by written notice to the other party.

ARTICLE IX.
FINANCIAL RESPONSIBILITY

A. Should the creditworthiness or financial responsibility of either party become unsatisfactory to the other party at any time during which this Agreement is in effect, satisfactory security may be required before further deliveries are made. In the event either party shall (i) make an assignment or any general arrangement for the benefit of creditors; (ii) default in the payment or performance of any

obligation to the other party under this Agreement; (iii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iv) otherwise become bankrupt or insolvent (however evidenced); (v) be unable to pay its debts as they fall due; or (vi) fail to give adequate security for or assurance of its ability to perform its further obligations under this Agreement within forty-eight (48) hours of a reasonable request by the other party, then the other party shall have the right to withhold or suspend deliveries or terminate this Agreement without further notice, in addition to any and all other remedies available hereunder or pursuant to law.

B. Each party reserves to itself all rights, set-offs, counterclaims, and other defenses which it is or may be entitled to arising from or out of this Agreement.

ARTICLE X.
FORCE MAJEURE

A. Except with regard to a party's obligation to make payments due under this Agreement, in the event either party hereto is rendered unable, wholly or in part, by force majeure to carry out its obligations under this Agreement, it is agreed that upon such party's giving notice and full particulars of such force majeure as soon as reasonably possible, such notice to be confirmed in writing or by facsimile to the other party, after the occurrence of the cause relied on, then the obligations of the party giving such notice, insofar as they are affected by such force majeure, from its inception, shall be suspended during the continuance of any inability so caused but for no longer period.

B. The term "force majeure" as employed in this Agreement will mean acts of God, strikes, lockouts, or industrial disputes or disturbances, civil disturbances, interruptions by government or court orders, necessity for compliance with any court order, law, statute, ordinance, or regulation promulgated by a governmental authority having jurisdiction, acts of the public enemy, or any other causes of like kind not reasonably within the control of the party claiming force majeure and which by the exercise of due diligence such party could not have prevented or is unable to overcome.

C. Notwithstanding the foregoing Section B of this Article X, the term "force majeure" as employed in this Agreement specifically excludes the following occurrences or events: the loss, interruption, or curtailment of interruptible transportation on any transporter necessary to effect receipt or delivery of gas hereunder, unless the same event also curtails firm transportation on the same pipeline segment, to the extent firm transportation is available on the affected pipeline segment; and loss of markets.

D. It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement of the use of diligence in restoring normal operating conditions shall not require the settlement of strikes or lockouts by acceding to the terms of the opposing party when such course is inadvisable in the discretion of the party having the difficulty.

ARTICLE XI.
TERM

The term of this Agreement shall commence at 9:00 a.m. Central Time, November 1, 2012 and shall continue until 9:00 a.m. Central Time on December 1, 2012.

ARTICLE XII.
MISCELLANEOUS

A. This Agreement constitutes the entire agreement between the parties hereto. There are no prior or contemporaneous agreements or representations affecting such subject matter other than those expressed in this Agreement.

B. No modification or change herein shall be enforceable, except as specifically provided for in this Agreement, unless reduced to writing and executed by both parties.

C. No assignment of this Agreement or any of the rights or obligations hereunder shall be made by either party unless the other party has consented in writing thereto, which consent shall not be unreasonably withheld.

D. This Agreement is for the sole and exclusive benefit of the parties hereto. Nothing expressed or implied herein is intended to benefit any other person, firm or corporation not a party hereto.

E. No waiver by either party hereto of any one or more defaults by the other in the performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults whether of a like kind or different nature.

F. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED, AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

G. The heading used for the Articles herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed as of the date first written above.

TRANSCONTINENTAL GAS PIPE LINE COMPANY, LLC

By _____
Paul F. Egner III
Director, Customer Services

SUPPLIER

By _____

Print Name _____

Title _____