

# Oryx Delaware Oil Transport LLC

LOCAL TARIFF

CONTAINING

## **RULES, REGULATIONS AND RATES**

GOVERNING THE GATHERING AND TRANSPORTATION

OF

### **CRUDE PETROLEUM**

BY PIPELINE

---

Rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such references will include subsequent reissues hereof.

---

#### **[N] Request for Special Permission**

Issued on twenty-nine days' notice under the authority of 18 C.F.R. § 341.14. This tariff publication is conditionally accepted subject to refund pending a 30 day review period.

Filed in compliance with 18 C.F.R. § ~~[W] 341.3~~ 342.3 (Indexing)

---

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

---

**ISSUE DATE: June 1, 2020**

**EFFECTIVE DATE: July 1, 2020**

---

ISSUED BY:  
Brett Wiggs  
Chief Executive Officer  
Oryx Delaware Oil Transport LLC  
4000 N. Big Spring, Suite 500  
Midland, TX 79705

COMPILED BY:  
Karl Pfluger  
President  
Oryx Delaware Oil Transport LLC  
4000 N. Big Spring, Suite 500  
Midland, TX 79705

## TABLE OF CONTENTS

<b>SECTION I RULES AND REGULATIONS .....</b>	<b>3</b>
1. DEFINITIONS .....	3
2. COMMODITY .....	8
3. QUALITY SPECIFICATIONS.....	8
4. VARIATIONS IN QUALITY AND GRAVITY .....	11
5. MINIMUM TENDER .....	11
6. NOMINATIONS REQUIRED.....	11
7. PRORATIONING PROCEDURES .....	12
8. MEASUREMENT.....	15
9. ORIGATION FACILITIES .....	15
10. STORAGE OF CRUDE PETROLEUM.....	15
11. DESTINATION FACILITIES .....	16
12. NOTICE OF ARRIVAL, DELIVERY AT DESTINATION.....	16
13. LINE FILL REQUIREMENTS.....	17
14. TITLE.....	19
15. RATES APPLICABLE AND DEFICIENCY PAYMENTS .....	19
16. RATES APPLICABLE FROM INTERMEDIATE POINTS .....	20
17. PAYMENT OF CHARGES .....	20
18. FINANCIAL ASSURANCES.....	22
19. CHARGE FOR FUND COMPENSATION.....	23
20. LIABILITY OF SHIPPER .....	23
21. LIABILITY OF CARRIER.....	23
22. CLAIMS, SUITS, AND TIME FOR FILING.....	24
23. CONNECTIONS .....	24
24. CARRIER DISCRETION .....	24
25. LOSS ALLOWANCE .....	24
26. INTRASYSTEM TRANSFERS.....	24
<b>SECTION II RATES .....</b>	<b>25</b>

## SECTION I RULES AND REGULATIONS

### 1. DEFINITIONS

“Acreage Dedication Shipper” means a Committed Shipper that has made an acreage dedication on Carrier’s System pursuant to a TGSA, and as evidence by a memorandum of dedication agreement.

“Affiliate” means, as to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls or is controlled by, whether by contract, voting power, or otherwise. The word “control” means the right to direct, whether by means of the holding of shares or the possession of voting power, via contract or otherwise, the affairs of such Person. Without limiting the foregoing, a Person is deemed to be an Affiliate of another specified Person if such Person owns fifty percent (50%) or more of the voting securities of the specified Person, or if the specified Person owns fifty percent (50%) or more of the voting securities of such Person.

“A.P.I.” means the American Petroleum Institute.

“A.P.I. Gravity” means gravity determined in accordance with the American Society for Testing Materials Designation set out in Item 3(A).

“Applicable Law” means all applicable: laws, statutes, directives, codes, ordinances, rules (including the rules of any securities exchange), regulations and municipal by-laws; and judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings or awards, consent orders, consent decrees and policies of any Governmental Authority.

“ASTM” means the American Society for Testing Materials.

“Barrel” means forty-two (42) United States gallons (each 231 cubic inches) at a temperature corrected to sixty degrees (60°) Fahrenheit.

“Carrier” means Oryx Delaware Oil Transport LLC.

“Committed Rates” means the rates identified as the “Committed Rates” in Section II of this tariff.

“Commercially Reasonable” means sound and prudent practices in a manner commercially reasonable for an onshore Crude Petroleum pipeline operator and in a manner consistent with industry standards at the applicable point in time.

“Committed Shipper” means a Shipper with which Carrier has executed a TGSA for Priority gathering and transportation service on the System pursuant to the Open Season(s) held by Carrier prior to the In-Service Date. Committed Shippers shall include both VC Shippers and Acreage Dedication Shippers.

“Consignee” means the Person to whom a Shipper has ordered the delivery of Crude Petroleum.

“Consignor” means the Person from whom a Shipper has ordered the receipt of Crude Petroleum.

“Crude Petroleum” means liquid hydrocarbons that meet the Quality Specifications set forth in Item 3(A).

“Declaring Party” means the party experiencing an event of Force Majeure.

“Deemed Volume Commitment” means the amount of Priority capacity that an Acreage Dedication Shipper shall be entitled to receive, on a Barrel-per-day basis, during the term of such Acreage Dedication Shipper’s TGSA.

“Deficiency Payment” means the payment due by a VC Shipper to Carrier, in accordance with VC Shipper’s TGSA, for such Committed Shipper’s Monthly Deficient Barrels.

“Destination Point” means the delivery points(s) on Carrier’s System where Crude Petroleum is delivered to Shipper, as such points are specified in Section II of this tariff.

“Encumbered Crude Petroleum” has the meaning set forth in Item 14(B).

“Excess Line Fill” has the meaning set forth in Item 13(B).

“Force Majeure” means any cause or interrelated causes not reasonably within the control of the Declaring Party and which is not able to be prevented or overcome by the exercise of reasonable diligence of the Declaring Party. Examples of Force Majeure may include, but are not limited to: any acts of God; strikes, lockouts or other industrial disputes or disturbances (the settlement of strikes, lockouts or labor difficulties being entirely within the Declaring Party’s discretion); acts of the public enemy, sabotage, terrorism, wars, blockades; insurrections, riots and other civil disturbances; epidemics; landslides, floods, lightning, earthquakes, fires, tornadoes, hurricanes, or other weather events, and warnings for any of the foregoing which may necessitate the precautionary shut-down of Wells, plants, pipelines, gathering systems, loading facilities, refineries, terminals or any portion thereof, or other related facilities; arrests and restraints of governments (either federal, state, civil or military); explosions, breakage or accidents to equipment, machinery, plants or any portion thereof, or lines of pipe, or the unscheduled maintenance, repairs or alterations to any of the foregoing, freezing of lines of pipe, partial or complete failure of Wells irrespective of whether such Wells or lines are operated by Carrier or Shipper; unscheduled maintenance of the facilities used by Carrier or Shipper, or their respective Affiliates, to perform their obligations under this tariff or the TGSA, as applicable; constraints on or physical disruption to transportation downstream of and directly connected to the Shipper’s or Carrier’s facilities used herein or to any Destination Point; refusal or other failure to accept Crude Petroleum by Third Party Shippers or Persons downstream of Carrier’s facilities that are directly connected to the System or to any Destination Point; inability to secure labor, materials, permits or access rights on reasonable terms after the exercise of reasonable diligence, which are required for a Declaring Party’s performance hereunder; electric power shortages or outages; the necessity for compliance with any court order, or any Applicable Law promulgated, after the earlier of the effective date of a TGSA or the effective date of this tariff, as applicable, by a Governmental Authority having or asserting proper jurisdiction; and other causes of a similar nature not reasonably within the control of the Declaring Party. Force Majeure also includes any event of force majeure occurring with respect to the facilities or services of the Declaring Party’s

Affiliates or service providers providing a service or providing any equipment, goods, supplies or other items necessary to the performance of such Declaring Party's obligations hereunder, in each case only to the extent not reasonably within the control of the Declaring Party and which is not able to be prevented or overcome by the exercise of reasonable diligence of the Declaring Party. Notwithstanding anything to the contrary set forth in this tariff or the TGSA, as applicable, none of the following shall, under any circumstance, constitute a Force Majeure event: (i) the lack of financial resources, or the inability of a Party to secure funds or make payments as required by a TGSA or this tariff, as applicable, absent the other Party's breach of the TGSA which has a material effect on such Party, (ii) adverse market, financial or other economic conditions including changes in market conditions that either directly or indirectly affect the demand for or price of Crude Petroleum, (iii) availability of more attractive markets for Crude Petroleum, or (iv) capacity curtailments on the System due to Carrier's failure to operate and maintain the System in a Commercially Reasonable manner.

"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 any Party.

"Guarantee" has the meaning set forth in Item 18(B).

"Higher A.P.I. Gravity Crude Petroleum" has the meaning set forth in Item 3(A).

"In-Service Date" means the first day of the month following the date on which Carrier's System is available to accept Shipper's Crude Petroleum for transportation services in accordance with the terms of this tariff and the TGSA, if applicable.

"LACT Units" means the Lease Automatic Custody Transfer units that, among other things, measure the volume and quality of the Crude Petroleum entering or leaving Carrier's System.

"Line Fill" has the meaning set forth in Item 13(A).

"Monthly Deemed Volume Commitment" means the product of (i) an Acreage Dedication Shipper's Deemed Volume Commitment and (ii) the number of days in the applicable month.

"Monthly Deficient Barrels" means the number of Barrels by which (i) a VC Shipper's Monthly Throughput fails to meet (ii) such VC Shipper's Monthly Volume Commitment.

"Monthly Volume Commitment" means the product of (i) the VC Shipper's Volume Commitment and (ii) the number of days in the applicable month.

"Monthly Throughput" means the actual number of Barrels of Crude Petroleum received by Carrier from Shipper at an Origin Point and transported to a Destination Point in a month.

"Nomination," "Nominate," or "Nominated" means a written communication (in form and context specified by Carrier) made by a Shipper to Carrier of a quantity of Crude Petroleum for transportation on the System from a specified Origin Point to a specified Destination Point in accordance with the terms of this tariff.

“Notification” has the meaning set forth in Item 13(C)(3).

“Non-Priority Capacity” means the System Capacity available for allocation to Uncommitted Shippers each Proration Month following the allocation of System Capacity to Committed Shippers under Item 7(C), which shall equal at least ten percent (10%) of the System Capacity, assuming Carrier receives sufficient Nominations from Uncommitted Shippers.

“Off-Spec Crude Petroleum” has the meaning set forth in Item 3(E).

“Open Season” means that open season held by Carrier beginning September 30, 2015, to obtain volume commitments and/or acreage dedications on the System, and any supplemental open season held by Carrier to obtain additional volume commitments and/or acreage dedications on the System prior to the In-Service Date.

“Origin Point” means the receipt/inception point(s) where Crude Petroleum is received into the System, as such points are specified in Section II of this tariff.

“Party” shall refer to either Shipper or Carrier, individually, and “Parties” shall refer to Carrier and Shipper, collectively.

“Person” means any individual, corporation, limited liability company, partnership, trust or other entity, or any Governmental Authority.

“Prime Rate” has the meaning set forth in Item 17(C).

“Priority” means that a Committed Shipper is for all purposes a priority shipper such that if such Committed Shipper (i) Tenders Crude Petroleum for transport on the Carrier’s System that does not exceed such Committed Shipper’s Monthly Volume Commitment or Monthly Deemed Volume Commitment, as applicable, and (ii) pays the then-applicable Committed Rate for the transportation of such Committed Shipper’s Monthly Volume Commitment or Monthly Deemed Volume Commitment, as applicable (or otherwise makes a Deficiency Payment pursuant to the TGSA, if Committed Shipper is a VC Shipper), such Committed Shipper shall not be subject to prorationing except during events of Force Majeure or other operation disruption that reduces the System Capacity available on Carrier’s System to transport Crude Petroleum.

“Proration Month” means the month for which capacity is to be allocated under Item 7.

“Qualified Institution” means the domestic office of a commercial bank or trust company that is not an Affiliate of Shipper and that has assets of at least \$10 billion and an investment-grade credit rating as established by Standard and Poor’s and Moody’s.

“Quality Specifications” has the meaning set forth in Item 3(A).

“Shipper” means a party that contracts with Carrier for transportation of Crude Petroleum in accordance with this tariff and any other applicable tariffs of Carrier.

“Shipper’s Permitted Liens” means (i) any liens, security interests or other encumbrances benefitting one or more lenders to Shipper as part of a financing provided by such lenders to Shipper for which such lenders have not taken actions to foreclose on such liens; and (ii) normal

and customary liens under financing agreements, operating agreements, unitization agreements, pooling orders, drilling contracts and similar agreements for upstream operators and mechanic's and materialman's liens, tax liens or mineral liens related to claims or obligations that are not delinquent or that are being contested in good faith and by appropriate proceedings.

“System” means that portion of Carrier’s pipeline system, including all appurtenances thereto, related to the provision of gathering and transportation services provided by Carrier pursuant to this tariff.

“System Capacity” means the operational capacity of the System at any applicable point in time.

“Tender” or “Tendered” means delivery by Shipper to Carrier of a stated quantity of Crude Petroleum for transportation from a specified Origin Point to a specified Destination Point on the System in accordance with this tariff.

“TGSA” means a transportation and gathering services agreement and/or a trucking transportation services agreement for the gathering and/or transportation, as applicable, of Crude Petroleum on Carrier’s System entered into between a Committed Shipper and Carrier pursuant to the Open Season.

“Third Party Shipper” has the meaning set forth in Item 7(I).

“Third Party Shipper Notice” has the meaning set forth in Item 7(I).

“Uncommitted Rates” means the rates identified as the “Uncommitted Rates” in Section II of this tariff.

“Uncommitted Shipper” means a Shipper that is not a Committed Shipper.

“Unremoved Crude Petroleum” means Crude Petroleum that Shipper fails to arrange for receipt of, or refuses to receive, upon Carrier’s delivery at the Nominated Destination Point.

“VC Shipper” means a Committed Shipper that has committed to ship, or make a Deficiency Payment for, a certain daily volume of Barrels of Crude Petroleum on Carrier’s System during the term of the TGSA.

“Volume Commitment” means the daily volume of Barrels of Crude Petroleum a VC Shipper has agreed to ship, or make a Deficiency Payment for, on Carrier’s System during the term of the TGSA and as set forth in such TGSA.

“Well” shall mean the operated and non-operated well(s) of an Acreage Dedication Shipper from which Crude Petroleum is produced and that is dedicated to be transported on Carrier’s System pursuant to an Acreage Dedication Shipper’s TGSA.

## 2. COMMODITY

Carrier is engaged in the transportation on the System of Crude Petroleum meeting the Quality Specifications set forth in Item 3 and will not accept any other commodity for transportation under this tariff.

## 3. QUALITY SPECIFICATIONS

- A. The quality specifications for Crude Petroleum set forth below (“**Quality Specifications**”) shall apply to Shipper’s Tender. Shipper shall not deliver to Carrier and Carrier shall not be obligated to accept Crude Petroleum that, as determined by Carrier, has on receipt qualities which are outside of the minimum and maximum ranges specified in the following table:

Quality	Units	Min	Max	Reference Test Method
A.P.I. Gravity (60F)	deg. API	36	44*	ASTM D287 AND API MPMS CHAPTER 9
Sulfur Content	Weight %		≤ 0.4	ASTM D4294
Reid Vapor Pressure	PSIA		9.5	ASTM D6377
True Vapor Pressure	PSIA		11.0	ASTM D6377
Basic Sediment and Water	% of Volume		≤ 1.0%	API MPMS CHAPTER 10.4

\*For Crude Petroleum received on Carrier’s System from tank battery receipt points located on Carrier’s “OTP West Segment,” as such receipt points are identified on Carrier’s website, the maximum A.P.I. Gravity specification shall be 49.9 (“**Higher A.P.I. Gravity Crude Petroleum**”). If acceptance of such Higher A.P.I. Gravity Crude Petroleum would result in Carrier’s delivery of Crude Petroleum to OTP Central Segment Shippers or any other non-OTP West Segment Shippers from its common stream not meeting the Quality Specifications listed in the table above, Carrier shall implement a batching process to transport such Higher A.P.I. Gravity Crude Petroleum and provide for segregated deliveries to match the two crude specifications.

- B. Carrier shall have the right to change or modify the Quality Specifications provided in Item 3(A) in order to conform Carrier’s Quality Specifications to those of downstream connecting facilities.

- C. Shipper shall perform applicable tests to ensure that the Crude Petroleum it Tenders to Carrier for transportation on the System conforms to the Quality Specifications. Carrier may also require Shipper to furnish a certificate setting forth in detail the specifications of each shipment of Crude Petroleum offered for transportation hereunder, and Shipper shall be liable for any contamination or damage to other Crude Petroleum in Carrier's custody or to Carrier's System or other facilities caused by failure of the Crude Petroleum Tendered by Shipper to meet the specifications stated in Shipper's certification.
- D. Carrier or its representative may test all Crude Petroleum Tendered for transportation on Carrier's System for compliance with the Quality Specifications. All such tests shall be performed by Carrier, but Shipper, Consignor, or Consignee may be present or represented at the testing provided such witnessing does not unreasonably interfere with Carrier's operation of the System. Carrier shall provide reasonable advance notice of any such testing (other than the continuous monitoring of the System) to Shipper. Quantities shall be tested in accordance with applicable A.P.I./ASTM standards and pipeline industry practice or such other tests as may be agreed upon by Carrier and Shipper. All tests performed by Carrier shall be determinative unless Shipper, Consignor, or Consignee submits to Carrier, within sixty (60) days of the date of the test, appropriate documentation contesting the test. In the event of variance between Carrier's test results and Shipper's test results or the specifications contained in a certificate provided by Shipper pursuant to Item 3(C), Carrier's test results shall prevail (absent error demonstrated by Shipper or fraud).
- E. Carrier reserves the right to reject all Tenders of Crude Petroleum and refuse transportation if Carrier determines that Shipper has delivered Crude Petroleum that (i) does not conform to the Quality Specifications, (ii) is not merchantable, (iii) is not readily acceptable for transportation through Carrier's System, (iv) would otherwise adversely affect the System or other Crude Petroleum on the System and/or (v) would expose any Person or property (including the System) to an undue risk of harm or property damage ("**Off-Spec Crude Petroleum**"), all of which shall be determined by Carrier, in Carrier's reasonable discretion.
- F. In the event Shipper Tenders Off-Spec Crude Petroleum to the System: (i) Carrier may accept such Shipper's delivery if Carrier determines, in its sole discretion, that the quality of the Off-Spec Crude Petroleum, when commingled as a common stream, will nonetheless meet the Quality Specifications; *provided, however*, that Carrier shall not knowingly accept Shipper's delivery of Off-Spec Crude Petroleum (a) if Carrier determines that the quality of Off-Spec Crude Petroleum, when commingled as a common stream, would not meet the Quality Specifications or (b) if the common stream is not meeting the Quality Specifications; and (ii) if Carrier does not accept such Off-Spec Crude Petroleum as provided in (i) of this Item 3(F), Carrier may exclude such Shipper from further entry into Carrier's System until such time as Shipper returns the quality of its Crude Petroleum to a level satisfactory to Carrier in accordance with this tariff. Nothing contained in this tariff, any other tariff filing, any pipeage contract or transportation services agreement or any other document, nor any receipt by

Carrier of Off-Spec Crude Petroleum (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 Crude Petroleum and to refuse or suspend receipt of such Off-Spec Crude Petroleum until it is established to such Carrier's reasonable satisfaction that subsequent deliveries of Crude Petroleum will conform to the applicable Quality Specifications. During any period when Carrier is knowingly accepting Off-Spec Crude Petroleum, Carrier shall (x) regularly monitor the API Gravity of the Off-Spec Crude Petroleum at all Origin Points from which Off-Spec Crude Petroleum is knowingly accepted by Carrier, and (y) manage the cumulative volume of Off-Spec Crude Petroleum so accepted to reduce the likelihood of the common stream failing to meet the Quality Specifications.

- G. Carrier may monitor, but is not responsible for monitoring, receipts or deliveries for contaminants. Further, Carrier reserves the right to dispose of any Off-Spec Crude Petroleum (other than such Crude Petroleum accepted pursuant to Item 3(F)(i)) blocking Carrier's System. Disposal thereof may be made in any reasonable manner, including, but not limited to, commercial sales. Shipper shall be liable for and shall defend, indemnify and hold Carrier harmless from and against any and all claims, actions, suits, losses, demands, costs and expenses (including attorney's fees and costs of repairing, inspecting, cleaning and decontaminating Carrier's System or the facilities of third parties) of every kind, nature or description to the extent caused by Off-Spec Crude Petroleum (other than such Crude Petroleum accepted pursuant to Item 3(F)(i)) that Shipper has delivered into Carrier's System.
- H. In addition to any other remedies available to Carrier, if Crude Petroleum received by Carrier into Carrier's System does not meet the Quality Specifications, Carrier reserves the right to charge the Shipper the actual costs and expenses incurred by Carrier to treat, handle, or otherwise dispose of all such Off-Spec Crude Petroleum. In the event that, based upon Carrier's own testing, it is determined that Shippers are or have been delivering Crude Petroleum into Carrier's System at the Origin Point that does not meet Carrier's Quality Specifications, then (i) Carrier may add an off-spec penalty provision to this tariff in order to discourage deliveries of Crude Petroleum to Carrier's System that violate Carrier's Quality Specifications and (ii) for the avoidance of doubt, any Shipper who has delivered Off-Spec Crude Petroleum that, when commingled as a common stream, results in the common stream not meeting the Quality Specifications, shall be liable for damages caused to other Shippers' Crude Petroleum to the extent that such Shipper's delivery of Off-Spec Crude Petroleum results in other Shippers receiving Crude Petroleum that does not meet the Quality Specifications.

**4. VARIATIONS IN QUALITY AND GRAVITY**

- A. Carrier shall not be liable to Shipper for changes in gravity or quality of Shipper's Crude Petroleum which may occur from commingling or intermixing Shipper's Crude Petroleum with other Crude Petroleum in the same common stream while in transit. Carrier is not obligated to deliver to Shipper the identical Crude Petroleum Nominated and Tended by Shipper; Carrier will deliver the grade of Crude Petroleum it is regularly transporting as a common stream.
- B. Carrier shall have no responsibility in, or for, any revaluation or settlements which may be deemed appropriate by Shippers and/or Consignees because of mixing or commingling of Crude Petroleum shipments between the receipt and delivery of such shipments by Carrier within the same common stream.
- C. 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. Carrier cannot commit to delivering Crude Petroleum to a particular destination, at a particular time.

**5. MINIMUM TENDER**

Carrier may impose minimum Tender requirements on deliveries to portions of Carrier's System which have a size equal to or larger than twelve point seven five (12.75) inches outside diameter to the extent reasonably necessary for the efficient operation of its System.

**6. NOMINATIONS REQUIRED**

- A. Crude Petroleum for shipment through the System will be received only on a properly executed Nomination from Shipper identifying the month for which transportation is desired, the Origin Point at which the Crude Petroleum is to be received by Carrier, the Destination Point of the shipment, Consignee (if any), and the amount of Crude Petroleum to be transported. Carrier may refuse to accept Crude Petroleum for transportation unless satisfactory evidence is furnished that Shipper or Consignor has made adequate provisions for prompt receipt of all volumes at the Destination Point.
- B. Any Shipper desiring to Nominate Crude Petroleum for transportation shall make such Nomination to Carrier in writing on or before (1) the thirteenth (13<sup>th</sup>) day of the calendar month for deliveries to all Destination Points other than the Destination Point at the Interconnect at Enterprise Midland Tank Farm or (2) the twenty fourth (24<sup>th</sup>) day for deliveries to the Interconnect at Enterprise Midland Tank Farm Destination Point, before 12:00 a.m. Central Time, preceding the month during which the transportation of Crude Petroleum under the Nomination is to begin; provided, however, that if operating conditions permit, Carrier, in its sole discretion, may consider and accept Nominations submitted after the date specified above.

- C. Carrier may refuse to accept Crude Petroleum for transportation under this tariff (i) where Shipper, Consignor, or Consignee is (1) not in compliance with this tariff or (2) in material breach of a TGSA, as applicable, or (ii) where Shipper, Consignor, and/or Consignee is not in material compliance with all Applicable Law regulating shipments of Crude Petroleum.
- D. All Crude Petroleum accepted for transportation will be transported at such time and in such quantity as scheduled by Carrier.

## 7. PRORATIONING PROCEDURES

- A. ***When System Capacity will be prorated.*** When Carrier receives more Nominations in a month for transportation of Crude Petroleum on Carrier's System than Carrier is able to transport, Carrier shall allocate the System Capacity under the provisions of this Item 7.
- B. ***Division of System Capacity between Shipper classes.*** System Capacity will be allocated among Committed Shippers as a class and Uncommitted Shippers as a class; any remaining System Capacity will be allocated in accordance with the provisions of Item 7(E).
- C. ***Allocation to Committed Shippers.***
  - (1) Except as provided in Item 7(C)(2), Carrier shall allocate each Committed Shipper an amount of System Capacity equal to the lesser of the Committed Shipper's Nomination for the Proration Month or its Monthly Volume Commitment or Monthly Deemed Volume Commitment, as applicable. If a Committed Shipper Nominates volumes in excess of its Monthly Volume Commitment or Monthly Deemed Volume Commitment, as applicable, then the excess incremental volumes shall be subject to prorationing under Item 7(E) below.
  - (2) If an event of Force Majeure or other operational issue causes System Capacity to be reduced for the Proration Month, the allocation of System Capacity to each Committed Shipper under this Item 7(C) shall be reduced by the same percentage as the reduction in System Capacity that is caused by the Force Majeure event or operational issue. If an event of Force Majeure or other operational issue causes a service disruption on only a portion of Carrier's System or at a particular Origin Point or Destination Point, Carrier shall continue to provide full operational service with respect to the unaffected portions of Carrier's System and to the unaffected Origin Points and Destination Points. Carrier will reduce the allocations of System Capacity to each Committed Shipper affected by such Force Majeure event by the same percentage as the reduction in capacity of the affected portion of the System or the reduction in receipt or delivery capability of the affected Origin Point or Destination Point, respectively and as applicable.

D. ***Allocation to Uncommitted Shippers.***

- (1) Following the allocation of System Capacity set forth in Item 7(C) above, Carrier shall next allocate the Non-Priority Capacity on Carrier's System among all Uncommitted Shippers in the following manner:
  - i. Each Uncommitted Shipper shall be allocated an amount of System Capacity in the Proration Month that is equal to:
    - a. its Nomination, if the total volume Nominated by all Uncommitted Shippers is less than or equal to ten percent (10%) of System Capacity on Carrier's System; or
    - b. its pro rata share, in accordance with its Nomination, of ten percent (10%) of the System Capacity on Carrier's System, if the total volume Nominated by all Uncommitted Shippers is greater than ten percent (10%) of such System Capacity.

E. ***Remaining System Capacity.*** Any remaining System Capacity not allocated through the application of Items 7(C) or 7(D) shall be allocated first, pro rata, among all Committed Shippers having remaining unmet Nominations according to the level of each Committed Shipper's Monthly Volume Commitment or Monthly Deemed Volume Commitment, as applicable. If allocation to any Shipper pursuant to this Item 7(E) exceeds such Shipper's remaining Nomination or there remains unallocated System Capacity following this additional allocation to Committed Shippers, then the excess volume will be allocated among all other Shippers having unmet Nominations until the remaining System Capacity is fully allocated or all of the remaining Nominations have been fulfilled.

F. ***Basis for Allocation; Notification.*** When prorationing of System Capacity is in effect:

- (1) Carrier shall allocate System Capacity on a monthly basis; and
- (2) Carrier will use reasonable efforts to notify each Shipper of its allocation not later than the first working day of the Proration Month.

G. ***Reallocation of Unused Allocated System Capacity.*** If a Shipper does not use the portion of System Capacity allocated to it under this Item 7 at the times and in the amounts designated by Carrier, Carrier shall have the right to use Shipper's unused portion of System Capacity to fulfill the unmet Nominations of other Shippers.

H. ***Failure of Uncommitted Shipper to Use Allocated System Capacity.***

- (1) Except as provided in Item 7(H)(2) below, an Uncommitted Shipper that fails to use all of its allocated System Capacity during a Proration Month shall have its allocation of System Capacity reduced in each subsequent

Proration Month until the total reductions equal the amount of the deficiency. The amount of any such reduction shall be treated as unused allocated System Capacity and shall be reallocated among other Shippers in accordance with Item 7(G). Any such reduction shall not relieve any VC Shipper of its obligation to pay Deficiency Payments pursuant to Item 15(B) and the VC Shipper's TGSA.

- (2) Reduction of an Uncommitted Shipper's allocation for failure to use its allocated System Capacity during a Proration Month may be waived, in whole or in part, if Carrier determines that Shipper's failure to use all or some of its allocated System Capacity was due to a Force Majeure.

- I. ***Transfer of Allocated System Capacity; Third Party Shippers.*** Shipper's allocation of System Capacity may be transferred as an incident of the bona fide sale of the Shipper's business or to a successor to the Shipper's business by the operation of law, such as an executor or trustee in bankruptcy. In addition, a Committed Shipper that ships from the tank battery Origin Points may, at its option, at any time and from time to time upon thirty (30) days' prior written notice to Carrier, (i) sell Crude Petroleum dedicated to Carrier under its TGSA at the well head or at any point upstream of a Destination Point, (ii) designate an agent to act on its behalf with regard to making nominations or scheduling Barrels of Crude Petroleum for delivery or (iii) use a third party shipper to deliver Barrels of Crude Petroleum for transportation on Carrier's System. In the event a Committed Shipper exercises such option, the Committed Shipper shall notify Carrier in writing of (w) the name, address, contact person and telephone number of the purchaser(s), agent for or recipient of the Crude Petroleum (the "**Third Party Shipper**"), (x) the Barrels sold and/or delivered to the Third Party Shipper, (y) the effective date or dates of sale and/or delivery, and (z) the applicable sales and Destination Points (such written notice being the "**Third Party Shipper Notice**"). Following receipt of the Third Party Shipper Notice, Carrier's determination that the Third Party Shipper has satisfied the requirements under Item 18 (Financial Assurances) of the TGSA, the Third Party Shipper's execution of the Transportation Services Agreement in the form attached to the TGSA, and the expiration of the thirty (30)-day notice period referenced above, Carrier agrees that it shall look only to the Third Party Shipper with respect to the payment of, or compliance with, any obligation with respect to the Barrels of Crude Petroleum sold and/or delivered by Shipper to a Third Party Shipper. For the avoidance of doubt, a Committed Shipper shall be prohibited from utilizing a Third Party Shipper until such time as the Third Party Shipper has executed a Transportation Services Agreement with Carrier, a form of which is attached to the Committed Shipper's TGSA. The requirements set forth above shall apply to each Third Party Shipper designated by a Committed Shipper. A Committed Shipper's use of a Third Party Shipper shall be governed by the provisions set forth in such Committed Shipper's TGSA. The intent of this Third Party Shipper provision is to give Committed Shippers that are shipping from tank battery Origin Points the flexibility to use such Third Party Shippers in order to, among other things, fully utilize its contractual rights under the TGSA, as well as meet their contractual obligations with Carrier. Accordingly, Committed Shippers that ship from the

truck station Origin Points specified herein and Uncommitted Shippers will not have the right to use a Third Party Shipper.

- J. ***Committed Shipper Ramp-Up Rights.*** Pursuant to the Open Season and the TGSA, Committed Shippers have the ability to increase their Priority capacity rights on the System during the term of their TGSAs. These rights will not result in Committed Shippers collectively receiving more than ninety (90) percent of the System Capacity at any given time, but could reduce the amount of System Capacity once available to Uncommitted Shippers when such rights are exercised.

## **8. MEASUREMENT**

Crude Petroleum delivered hereunder shall be measured in accordance with Carrier's LACT and Measurement Manual, dated April 9, 2015. A copy of the LACT and Measurement Manual is available on Carrier's website at [www.oryxmidstream.com](http://www.oryxmidstream.com).

## **9. ORINATION FACILITIES**

Carrier will receive Crude Petroleum from Shippers at the Origin Points on Carrier's System. Crude Petroleum will be received only from pipelines, tanks or other facilities that are provided by Shipper or Consignor, or a connecting carrier. Carrier will not accept a Nomination unless such facilities have been provided and conform to the operating requirements of Carrier, in Carrier's sole discretion.

## **10. STORAGE OF CRUDE PETROLEUM**

- A. Except as set forth in Item 10.B below, Carrier does not provide storage for Crude Petroleum, except storage incidental to transportation on Carrier's System. Carrier has the right to coordinate with downstream connecting facilities to ensure that Shipper has arranged for receipt of its Crude Petroleum at the Nominated Destination Point; by Nominating Crude Petroleum for transportation on the System, Shipper agrees to permit such coordination.
- B. When and to the extent Carrier determines space is available, Carrier will provide tankage as operationally possible for in-transit storage of Crude Petroleum. The tankage offered under this Item 10.B is only that constructed for normal break out tankage within Carrier's System that, from time to time, may be surplus to Carrier's normal operating needs. The terms and conditions of such in-transit storage will be governed by a separate agreement between Shipper and Carrier, to the extent applicable. Shipper must contact Carrier to inquire about current in-transit storage availability. For clarity, to the extent Shipper makes use of in-transit storage, any of Shipper's movements from such in-transit storage to the Nominated Destination Point shall be subject to prorationing pursuant to Item 7.

## 11. DESTINATION FACILITIES

Carrier will accept Crude Petroleum for transportation only when Shipper or Consignee has provided the necessary facilities for taking delivery of the shipment as it arrives at the Destination Point. Carrier will not accept a Nomination unless such facilities have been provided and conform to the operating requirements of Carrier, in Carrier's reasonable discretion. The cost of such facilities shall be provided at the sole cost of Shipper seeking access to Carrier's System.

## 12. NOTICE OF ARRIVAL, DELIVERY AT DESTINATION

- A. After a shipment of Crude Petroleum has had time to arrive at Shipper's Nominated Destination Point and on twenty-four (24) hours' notice to Shipper or Consignee, Carrier may begin delivery of such Crude Petroleum to Shipper or Consignee at Carrier's current rate of pumping. Shipper shall timely remove its Crude Petroleum, or cause such Crude Petroleum to be removed, from the System following transportation to a Nominated Destination Point. If Shipper or Consignee is unable or refuses to receive said shipment, Carrier will assess a demurrage charge of 1.25 cents (1.25¢) per Barrel for each day (or fractional part thereof) commencing twenty-four (24) hours following Carrier's notification described above and Shipper's failure to promptly accept such Crude Petroleum. In addition to such demurrage charge, Carrier shall also have the right to curtail the amount of Crude Petroleum it will accept from Shipper until such Unremoved Crude Petroleum is removed.
- B. In addition to such demurrage charge, Carrier also reserves the right if deemed necessary to clear Carrier's System to make whatever arrangements for disposition of the Unremoved Crude Petroleum that are appropriate, which includes selling the Unremoved Crude Petroleum at a private sale for the best price reasonably obtainable. The Carrier may be a purchaser at such sale. The proceeds of any sale shall be applied in the following order: (i) to the reasonable expenses of holding, preparing for sale, selling, and transporting the Crude Petroleum, and to the extent allowed by Applicable Law reasonable attorneys' 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. Shipper shall indemnify Carrier for all losses associated with Unremoved Crude Petroleum and Carrier's disposition of the Unremoved Crude Petroleum. Carrier shall have no liability to Shipper associated with Shipper's Unremoved Crude Petroleum or Carrier's disposition of Unremoved Crude Petroleum except as set forth herein.

### 13. LINE FILL REQUIREMENTS

- A. Carrier shall require Shipper to supply, and Shipper shall supply, Crude Petroleum constituting its proportionate share of Crude Petroleum for line fill necessary for operation of Carrier's System ("Line Fill"). For purposes of clarity, a Committed Shipper's proportionate share of Line Fill shall be the percentage equal to Committed Shipper's Volume Commitment or Deemed Volume Commitment, as applicable, divided by ninety percent (90%) of the total System Capacity at such time.
- B. In the event a Shipper's Line Fill balance drops below its proportionate share of the volume of Crude Petroleum necessary for operation of Carrier's System, Carrier will notify Shipper of the amount of Line Fill that Shipper owes and Shipper shall supply such Line Fill to Carrier before Carrier is obligated to accept Shipper's Nominations or Tenders or make deliveries or shipments on behalf of Shipper. Any notice to Shipper of additional Line Fill requirements under this Item 13(B) shall provide adequate time for Shipper to make the required Nominations under Item 6. Subject to the provisions of Item 17, in the event Shipper's Line Fill balance is above its proportionate share of the volume of Crude Petroleum necessary for Line Fill ("**Excess Line Fill**"), then Carrier shall notify Shipper of such Excess Line Fill amount and will return such Excess Line Fill to Shipper upon written request by Shipper to Carrier and following a reasonable period of time to allow for administrative and operational requirements associated with the withdrawal of such Excess Line Fill.
- C. Subject to the provisions of Item 17, Line Fill furnished by Shipper may be withdrawn from Carrier's System under two circumstances (i) if Shipper intends to discontinue shipments on Carrier's System for the foreseeable future and/or, (ii) if Shipper is "no longer shipping" on Carrier's System, as described in Item 13(C)(2) below. Line Fill furnished by a Shipper may be withdrawn from Carrier's System only pursuant to the terms of this Item 13(C).
- (1) If Shipper intends to discontinue shipments on Carrier's System for the foreseeable future, Shipper shall provide written notification to Carrier that it intends to discontinue shipments on the System. Carrier will then provide written notice to Shipper as provided for in Item 13(C)(3).
  - (2) A Shipper that makes no shipments on the System over a continuous six (6)-month period shall be deemed to be "no longer shipping." When Carrier identifies that a Shipper is "no longer shipping," Carrier will provide written notice to Shipper that it is considered to be "no longer shipping" on Carrier's System as provided for in Item 13(C)(3).
  - (3) Carrier will issue written notice (the "**Notification**") to Shipper that according to the Carrier's books, Carrier is holding a certain volume of Crude Petroleum on its books in Shipper's name. Shipper will be advised in such letter that Shipper will have thirty (30) days effective with the date

of the Notification to provide written direction regarding the disposal of Shipper's Crude Petroleum. If at the end of this thirty (30)-day period, Carrier has received no written direction, Carrier will assume title to the Crude Petroleum being held on its books in Shipper's name, free and clear of any and all liens, claims or encumbrances, and Shipper expressly agrees and consents to transfer title to Carrier as set forth herein.

- (i) If Carrier has been contacted by Shipper within thirty (30) days of the Notification described in Item 13(C)(3), Carrier will grant Shipper an additional thirty (30) days without charge to facilitate the disposal of Shipper's inventory Crude Petroleum. If at the end of this 60-day period, Shipper has not disposed of this Crude Petroleum, Carrier retains the right to charge a liquidated damage fee of \$0.10 per Barrel, per month, retroactive to the date of the Notification, plus any other fees as allowed in accordance with this tariff; such fees will be required to be paid before the Crude Petroleum will be released. In addition, if Shipper has not disposed of such Crude Petroleum within sixty (60) days from the date of Notification, Carrier will assume title to such Crude Petroleum free and clear of any and all liens, claims or encumbrances, and Shipper expressly agrees and consents to transfer title to Carrier as set forth herein. If Shipper provides a written request to Carrier after title to Crude Petroleum has been assumed by Carrier but before Carrier has otherwise disposed of Crude Petroleum, Carrier agrees to transfer title back to Shipper for a fee of \$5.00 per Barrel. Such fees will be required to be paid before the Crude Petroleum will be released. Upon transfer of title back to Shipper, Shipper will then be responsible for disposing of Crude Petroleum within thirty (30) days therefrom. Failure of Shipper to dispose of said Crude Petroleum within thirty (30) days of the transfer of title back to Shipper will result in title being vested back in Carrier without recourse.
- (4) Carrier's return of Line Fill is contingent upon Shipper's inventory balances and all outstanding amounts due having been reconciled between Shipper and Carrier and Shipper having paid in full any amounts owed to Carrier following such reconciliation. Carrier shall have a reasonable period of time to complete administrative and operational requirements incident to Shipper's withdrawal of Line Fill.
- (5) Subpart (C) of this Item 13 shall not apply to a Committed Shipper during the term of such Committed Shipper's TGSA. However, following the expiration of a Committed Shipper's TGSA, such Committed Shipper's Line Fill shall be returned to Committed Shipper pursuant to the provisions set forth in subpart (C) of this Item 13.

**14. TITLE**

- A. Carrier may require of Shipper satisfactory evidence of its perfected and unencumbered title (other than Shipper's Permitted Liens) of any Crude Petroleum Tendered for shipment on the System. Carrier shall have the right to reject any Crude Petroleum, when Tendered for transportation, that constitutes Encumbered Crude Petroleum (as defined below).
- B. At the time of Nomination, Shipper shall inform Carrier if any Crude Petroleum Nominated and/or to be Tendered to Carrier for transportation (i) may be involved in litigation, (ii) may be subject to a title dispute, or (iii) may be encumbered by a lien or charge of any kind at the time of delivery of such Crude Petroleum to Carrier at an Origin Point (other than any Shipper's Permitted Liens and the lien created hereunder in favor of Carrier) ("**Encumbered Crude Petroleum**"). In the event Carrier receives such Shipper notice of Encumbered Crude Petroleum or otherwise learns that Shipper has or will Nominate or Tender Encumbered Crude Petroleum, Carrier, in its reasonable discretion, 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) subordination agreement from the applicable lienholder. Carrier also has the right to refuse any shipment of Encumbered Crude Petroleum.
- C. By Nominating Crude Petroleum, Shipper, or a Third Party Shipper, as applicable, warrants and guarantees that Shipper has good title (or right to ship or control) thereto and agrees to hold Carrier harmless for any and all loss, cost, liability, damage and/or expense resulting from failure of title (or right to ship or control) thereto; provided that acceptance for transportation shall not be deemed a representation by Carrier as to title (or right to ship or control). Shipper or Third Party Shipper, as applicable, shall not cause or permit any lien, security interest or other form of burden to be filed or created with respect to Crude Petroleum in Carrier's possession, except for any Shipper's Permitted Liens and the lien created hereunder in favor of Carrier.

**15. RATES APPLICABLE AND DEFICIENCY PAYMENTS**

- A. **Rates.** Crude Petroleum accepted for transportation shall be subject to the rates and charges in effect on the date of receipt by Carrier that are applicable to Shipper's shipments, irrespective of the date of the Nomination. The applicable rates are set forth in Section II herein. Transportation and all other lawful charges shall be collected on the basis of the quantities of Crude Petroleum, including Line Fill (except as provided below), received from Shipper at each Origin Point, less the applicable loss allowance deduction set forth in Item 25, and said quantities will be determined in the manner provided in Item 8. For clarity, Carrier shall invoice Shipper upon receipt of Shipper's Crude Petroleum,

including Line Fill, at each Origin Point irrespective of the date such Crude Petroleum, including Line Fill, is delivered to Shipper at the Nominated Destination Point, and Shipper shall pay such invoice in accordance with the provisions of Item 17 below; *provided, however*, that in the event of a Force Majeure or other operational disruption on the System that impacts Carrier's ability to deliver Shipper's Crude Petroleum to the Nominated Destination Point, Carrier shall delay invoicing such Shipper pursuant to this Item 15 until such Force Majeure or other operational disruption on the System has been resolved and Carrier is able to commence the delivery of Shipper's Crude Petroleum to the Nominated Destination Point; *provided, further*, Carrier will defer invoicing a Shipper for any of its Line Fill in Carrier's System as of February 1, 2020 until the date such Line Fill is delivered from Carrier's System at a Destination Point.

- B. **Deficiency Payments.** The terms of a TGSA shall govern the rights of a Committed Shipper and Carrier with respect to the payment or nonpayment of Deficiency Payments and/or other charges set forth in a TGSA. In the event Carrier refuses to accept Barrels of Crude Petroleum Tendered by a VC Shipper for transportation under this tariff or a TGSA because such Shipper has been (i) in violation of this tariff, or (ii) in material breach of a TGSA at the time the Barrels are Tendered to Carrier, then no reduction shall be made to a Deficiency Payment if, as a result of such refusal, such VC Shipper fails to ship its Monthly Volume Commitment for such month.

## 16. RATES APPLICABLE FROM INTERMEDIATE POINTS

Shipments accepted for transportation from or to any point on Carrier's System not named in this tariff, but which is intermediate to a point where rates are published, will be assessed the rate in effect from or to the next more distant point published in this tariff. Continuous use of intermediate point rate application under this Item 16 for more than thirty (30) days requires establishment of a rate for the transportation service.

## 17. PAYMENT OF CHARGES

- A. Carrier will invoice Shipper or Third Party Shipper, as applicable, for transportation rates, fees, and charges, and any other amounts accruing on Crude Petroleum transported by Carrier in accordance with Carrier's then-current invoicing and payment policies and procedures. Carrier shall calculate and assess any payments Shipper owes to Carrier under a TGSA, including but not limited to Deficiency Payments, if applicable, in accordance with the provisions of the TGSA.
- B. All payments are due by the later of (i) the twenty-fifth (25<sup>th</sup>) day of the month or (ii) fifteen (15) days from the date of Shipper's receipt of the invoice. Invoices falling due on a weekend or holiday need not be paid until the following regular workday and no interest shall accrue under Item 17(C) until after such regular workday. If Shipper, in good faith, disputes the amount of any such invoice or any part thereof, Shipper shall pay such amount as it concedes to be correct. If

Shipper disputes the amount due, it must provide supporting documentation to support the amount disputed within ten (10) days of the date of such invoice.

- C. If any charge remains unpaid after the due date, then interest shall accrue at a per annum rate of interest equal to the lower of (i) the Prime Rate plus five percent (5%) or (ii) the maximum legal rate. “**Prime Rate**” means the prime rate on corporate loans at large U.S. money center commercial banks as set forth in the Wall Street Journal “Money Rates” table under the heading “Prime Rate,” or any successor thereto, on the first date of publication for the month in which payment is due.
- D. In addition, in the event Shipper fails to pay any undisputed charges owed to Carrier, whether under this tariff, a TGSA, or any other agreement, when due, Carrier shall have the right, until such payments, including interest thereon, are paid in full, to: (i) refuse to provide Shipper access to the System or provide services pursuant to this tariff, including delivery of any of Shipper’s Crude Petroleum in Carrier’s possession to Shipper, (ii) offset the current and future amounts owed by Shipper under this tariff or a TGSA against any amounts Carrier owes to Shipper or against any of Shipper’s Crude Petroleum in the System, and (iii) exercise any other rights and remedies granted under this tariff or existing under Applicable Law.
- E. Carrier shall have a lien on all Crude Petroleum delivered to and in the possession of Carrier to secure the payment of any and all charges and fees owed to Carrier by Shipper, whether under this tariff, a TGSA if applicable, or any other agreement, including but not limited to, transportation fees, Deficiency Payments, penalties, interest and late payment charges. Such lien shall extend to all Crude Petroleum in Carrier’s possession beginning with Shipper’s first receipt of transportation or other services from Carrier. Shipper agrees to execute such additional documents as may be reasonably necessary to perfect or evidence such lien. 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 all Crude Petroleum 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.
- F. If Shipper fails to pay an invoice by the due date, Carrier will notify Shipper of the failure, and if Shipper has not remedied the failure within ten (10) days following receipt of notice from Carrier, 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 Crude Petroleum of such Shipper in Carrier’s custody, including Shipper’s Line Fill, at public auction, on any day not a legal holiday, not less than forty-eight (48) hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city, or general area where the sale is to be held, stating the time and place of sale and the quantity and location of the Crude Petroleum 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 transporting the Crude

Petroleum and to the extent allowed by Applicable Law reasonable attorneys' 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.

## 18. FINANCIAL ASSURANCES

- A. Thirty (30) days prior to making its first Nomination, each prospective Uncommitted Shipper shall provide information to Carrier that will allow Carrier to determine the prospective Uncommitted Shipper's ability to pay any financial obligations that could arise from the transportation of the prospective Uncommitted Shipper's Crude Petroleum under the terms of this tariff. The type of information Carrier may request from a prospective Uncommitted Shipper includes, but is not limited to, most recent year-end financials, Form 10-K reports or other filings with regulatory agencies, and bank references. If, in the reasonable opinion of Carrier, such prospective Uncommitted Shipper is not creditworthy, Carrier shall require such Uncommitted Shipper to prepay all transportation and other fees and lawful charges accruing on Crude Petroleum delivered and accepted by Carrier or supply an irrevocable letter of credit from a bank acceptable to Carrier, with terms in a form acceptable to Carrier and such prepayment must be received within five (5) days of Uncommitted Shipper's first Nomination.
- B. In the event Carrier determines, in a manner not unreasonably discriminatory, that a Shipper's creditworthiness is at any time unsatisfactory to Carrier, Carrier may require Shipper to provide adequate assurance of performance. As adequate assurance, Carrier may require Shipper to provide one of the following (at Carrier's election): (i) cash (in U.S. dollars), as collateral held for security, (ii) a Guarantee (as defined below), (iii) a prepayment, and/or (iv) an irrevocable standby letter of credit issued by a Qualified Institution, with the amount of such security to be the amount estimated in good faith for the next sixty (60) days of performance hereunder. For purposes of this Item 18(B), a "**Guarantee**" means a guarantee of the payment obligations of Shipper which is provided by Shipper's credit support provider in favor of Carrier with such form of guarantee being acceptable to Carrier in its reasonable discretion.
- C. In the event a prospective Uncommitted Shipper fails to comply with any obligation in Item 18(A) or a Shipper fails to comply with any obligation in Item 18(B), Carrier shall not be obligated to provide such prospective Uncommitted Shipper or Shipper, as applicable, with access to Carrier's System or to provide transportation services pursuant to this tariff or a TGSA, as applicable, until such requirement is fully met.

**19. CHARGE FOR FUND COMPENSATION**

In addition to all other charges to Shipper accruing on Crude Petroleum accepted for transportation, a per Barrel charge will be assessed and collected by Carrier in the amount of any tax, fee, or other charge levied against Carrier in connection with such Crude Petroleum by any Governmental Authority 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 a loss therefrom or any program where Carrier is acting as a collecting agent. Such charge will be included in the appropriate tariff filed with the Federal Energy Regulatory Commission.

**20. LIABILITY OF SHIPPER**

As a condition to Carrier's acceptance of Crude Petroleum for transportation on Carrier's System, each Shipper agrees to protect and indemnify Carrier against claims or actions for injury and/or death of any and all Persons whomever and for damage to property of or any other loss sustained by Carrier, Shipper, Consignor, Consignee and/or any third party, resulting from or arising out of (i) any breach of or failure to adhere to any provision of Carrier's tariff(s) by such Shipper or any of its Consignors, Consignees, or any of their agents, employees or representatives and (ii) the negligent act(s) or failure(s) to act of such Shipper or any of its Consignors, Consignees, or any of their agents, employees or representatives in connection with delivery or receipt of Crude Petroleum.

**21. LIABILITY OF CARRIER**

- A. Carrier, while in possession of Crude Petroleum herein described, shall not be liable for, and Shipper hereby waives any claims against Carrier for, any loss thereof, damage thereto, or delay caused by Force Majeure, the act of Shipper itself, a Governmental Authority, the nature of the goods, or resulting from any other causes, unless such loss, damage, or delay is due to the negligence or willful misconduct of Carrier. Carrier shall not be liable for, and Shipper hereby waives any claims against Carrier for, any loss or damage to Crude Petroleum prior to the delivery of Crude Petroleum to Carrier at the Origin Points and after delivery of Crude Petroleum at the Destination Points.
- B. In case of loss or damage of any Crude Petroleum from any such causes that are not due to the negligence or willful misconduct of Carrier, after it has been received for transportation at the Origin Point and before the same has been delivered to Shipper at the Destination Point, such loss will be charged proportionately to each Shipper in the ratio that its Crude Petroleum, or portion thereof, received and undelivered at the time the loss occurs, bears to the total of all Crude Petroleum then in the custody of Carrier for transportation via the lines or other facilities in which the loss occurs. Carrier will be obligated to deliver only that portion of such Crude Petroleum remaining after deducting Shipper's portion of such loss determined as aforesaid. In the aforementioned instance, transportation charges will be assessed only on the quantity delivered.

- C. Carrier will not be liable for discoloration, contamination, or deterioration of the Crude Petroleum transported hereunder unless and to the extent such discoloration, contamination, or deterioration of Crude Petroleum transported results from the negligence or willful misconduct of Carrier. Carrier's liability to Shipper, Consignor, or Consignee for any claim of negligence, willful misconduct or other loss shall be limited to the value of the Crude Petroleum transported and related transportation charges.
- D. Carrier operates under this tariff solely as a common carrier and not as an owner, manufacturer, or seller of the Crude Petroleum transported or stored hereunder, and Carrier expressly disclaims any liability for any express or implied warranty for Crude Petroleum transported hereunder including any warranties of merchantability or fitness for intended use.

## **22. 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 Crude Petroleum 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 Crude Petroleum, or in case of Carrier's failure to make delivery of Shipper's Crude Petroleum, then within nine (9) months after a reasonable time for delivery has elapsed; and suits shall be instituted against Carrier 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 will not be liable.

## **23. CONNECTIONS**

Subject to any provision contained in a Committed Shipper's TGSA, connections to Carrier's System will only be considered if made by formal written application to Carrier in accordance with Carrier's connection policy. All connections will be subject to design requirements necessary to protect the safety, security, integrity and efficient operation of Carrier's System in accordance with generally accepted industry standards and Carrier's connection policies. Acceptance of any application for connection will be within the sole discretion of Carrier and will be subject to compliance with Governmental Authorities and industry regulations.

## **24. CARRIER DISCRETION**

Carrier will operate its System and implement the rules and regulations contained in this tariff, including those provisions providing for Carrier's discretion, in a manner that is not unduly discriminatory or unduly preferential.

## **25. LOSS ALLOWANCE**

Carrier shall deduct two-tenths of one percent (0.2%) of the volumes of Crude Petroleum received into Carrier's System to cover losses inherent in the transportation of Shipper's Crude

Petroleum on Carrier's System. The volumes delivered to Shipper from Carrier's facilities shall be net of such deduction.

## **26. INTRASYSTEM TRANSFERS**

Line transfer or ownership transfers of Crude Petroleum from one Shipper (transferor) to another Shipper (transferee) will be permitted pursuant to the provisions of Item 26.

- A. Notice of change in ownership of Crude Petroleum will be recognized and recorded only when such Product entered Carrier's System and only on a monthly basis.
- B. Statements denoting ownership transactions will be provided to the applicable transferors and transferees. Carrier will not provide any information as to the quality of the Crude Petroleum subject to the changes in ownership except for gravity on current receipts when requested.
- C. Each transferor will be charged a per Barrel administration fee for recognizing and recording the change in ownership and, if required, shall pay said charge prior to the recognizing and recording of such change. The per Barrel administration fee will be posted and available on Carrier's website at [www.oryxmidstream.com](http://www.oryxmidstream.com).
- D. Carrier shall not be obligated to recognize and record changes in ownership of Crude Petroleum during any transportation month unless the transferor and transferee requesting Carrier to recognize and record the change in ownership shall, each, on or before the nomination deadline set forth in Item 6, provide written notice to Carrier containing like data relative to the kind, quantity, source, location, transferor and transferee of the Crude Petroleum. Carrier shall not be obligated to accept any modification in said notice unless confirmed in writing by transferor and transferee on or before the last day of the calendar month preceding the month in which transportation is scheduled to occur.
- E. When the quantity of Crude Petroleum received during a transportation month is not equivalent to the quantity of Crude Petroleum subject to the notice of change in ownership described in Item 26.D, Carrier will recognize and record the change in ownership only to the extent of the quantity received.
- F. A notice of change in ownership of Crude Petroleum shall be deemed (1) a warranty that transferor has unencumbered title to the Crude Petroleum in its notice at the time of change in ownership and (2) a representation that the change in ownership is effective on the first day of the month of transportation.
- G. Any party, including transferor and transferee, involved in an intrasystem transfer pursuant to this Item 26 shall be subject to all applicable provisions of and requirements contained in this tariff, including in Item 18.

**SECTION II  
RATES**

**TABLE 1  
COMMITTED RATES APPLICABLE TO VC SHIPPERS AND UNCOMMITTED RATES  
FOR PHASE I<sup>10</sup>**

Rates in Dollars per Barrel

<b>Tier</b>	<b>Origin Point</b>	<b>Destination Point</b>	<b>Volume (Barrels/Day)</b>	<b>5 Year Term Committed Rate<sup>3</sup></b>	<b>10 Year Term Committed Rate<sup>4</sup></b>	<b>Uncommitted Rate<sup>5</sup></b>
1	Phase I-A tank battery receipt points located in Pecos, Reeves and Ward Counties, Texas <sup>1,2</sup>	Interconnect at Longhorn Pipeline, Crane, Texas	>25,000	[I] <u>\$2.0062</u>	[I] <u>\$1.8435</u>	[I] <u>\$1.7959</u>
2			>20,000 and <= 25,000	[I] <u>\$2.1146</u>	[I] <u>\$1.9519</u>	[I] <u>\$1.9020</u>
3			>10,000 and <= 20,000	[I] <u>\$2.2231</u>	[I] <u>\$2.0604</u>	[I] <u>\$2.0082</u>
4			>=2,000 and <= 10,000	[I] <u>\$2.3315</u>	[I] <u>\$2.1688</u>	[I] <u>\$2.1145</u>
5			< 2,000	N/A	N/A	[I] <u>\$2.2208</u>
1	Phase I-B tank battery receipt points located in Pecos, Reeves and Ward Counties, Texas <sup>1,2</sup>	Interconnect at Longhorn Pipeline, Crane, Texas	>25,000	[I] <u>\$2.0062</u>	[I] <u>\$1.8435</u>	[I] <u>\$1.7959</u>
2			>20,000 and <= 25,000	[I] <u>\$2.1146</u>	[I] <u>\$1.9519</u>	[I] <u>\$1.9020</u>
3			>10,000 and <= 20,000	[I] <u>\$2.2231</u>	[I] <u>\$2.0604</u>	[I] <u>\$2.0082</u>
4			>=2,000 and <= 10,000	[I] <u>\$2.3315</u>	[I] <u>\$2.1688</u>	[I] <u>\$2.1145</u>
5			< 2,000	N/A	N/A	[I] <u>\$2.2208</u>

**TABLE 2  
COMMITTED RATES APPLICABLE TO ACREAGE DEDICATION SHIPPERS AND  
UNCOMMITTED RATES FOR PHASE I<sup>10</sup>**

Rates in Dollars per Barrel

<b>Tier</b>	<b>Origin Point</b>	<b>Destination Point</b>	<b>Acreage Dedication for 12 Years (# Acres)</b>	<b>12 Year Term Committed Rate<sup>6</sup></b>	<b>Uncommitted Rate<sup>7</sup></b>
1	Phase I-A tank battery receipt points located in Pecos, Reeves, and Ward Counties, Texas <sup>1,2</sup>	Interconnect at Longhorn Pipeline, Crane, Texas	>25,000	[I] \$1.8435	[I] \$1.7959
2			>20,000 and <= 25,000	[I] \$1.9519	[I] \$1.9020
3			>10,000 and <= 20,000	[I] \$2.0604	[I] \$2.0082
4			>=2,000 and <= 10,000	[I] \$2.1688	[I] \$2.1145
1	Phase I-B tank battery receipt points located in Pecos, Reeves, and Ward Counties, Texas <sup>1,2</sup>	Interconnect at Longhorn Pipeline, Crane, Texas	>25,000	[I] \$1.8435	[I] \$1.7959
2			>20,000 and <= 25,000	[I] \$1.9519	[I] \$1.9020
3			>10,000 and <= 20,000	[I] \$2.0604	[I] \$2.0082
4			>=2,000 and <= 10,000	[I] \$2.1688	[I] \$2.1145

**TABLE 3  
COMMITTED RATES APPLICABLE TO VC SHIPPERS AND UNCOMMITTED RATES  
FOR PHASE I TRUCK STATIONS/MAINLINE RECEIPTS<sup>11</sup>**

Rates in Dollars per Barrel

<b>Tier</b>	<b>Origin Point</b>	<b>Destination Point</b>	<b>Volume (Barrels/Day)</b>	<b>3 Year Term Committed Rate<sup>9</sup></b>	<b>5 Year Term Committed Rate<sup>3</sup></b>	<b>Uncommitted Rate<sup>5</sup></b>
1	Oryx Pyote Truck Station, Oryx 285 Truck Station or Oryx Reeves CRP Truck Station or Mainline Receipt Points in Ward, Reeves, and Pecos Counties, Texas <sup>8</sup>	Interconnect at Longhorn Pipeline, Crane, Texas	≥10,000	[I] <u>\$1.1387</u>	[I] <u>\$1.0845</u>	[I] <u>\$1.0520</u>
2			≥ 2,000 and < 10,000	[I] <u>\$1.1930</u>	[I] <u>\$1.1387</u>	[I] <u>\$1.1051</u>
3			< 2,000	N/A	N/A	[I] <u>\$1.1583</u>

**Notes Applicable to Tables 1, 2 and 3**

1. A list of all of the Phase I-A and Phase I-B tank battery receipt points located in Pecos, Reeves and Ward Counties, Texas is available on Carrier’s website at [www.oryxmidstream.com](http://www.oryxmidstream.com). Note that Carrier currently has classified its gathering system into the following two segments: (1) the “OTP Central Segment” and (b) the “OTP West Segment.” Carrier also has the right, in its sole discretion, to add additional gathering segments to its System from time to time. For clarity, the particular gathering segment that each tank battery receipt point connects into will be stated on Carrier’s website.
2. A discount of [U] \$0.15 per Barrel from the applicable rate set forth in Tables 1 and 2 shall apply to those Barrels transported by Shipper on Carrier’s System from tank battery receipt points that were constructed by a Committed Shipper in accordance with Section 5.4(c)(ii) of the TGSA, or by an Uncommitted Shipper in accordance with Carrier’s connection policy, as such policy is set forth on Carrier’s website at [www.oryxmidstream.com](http://www.oryxmidstream.com). For those tank battery receipt points constructed by Carrier where Shipper elects for Carrier to own, operate, maintain and repair the LACT Units, a charge of [U] \$0.1250 shall be assessed in addition to the transportation rates applicable to such Shipper, as set forth in Tables 1 and 2, for shipments originating from such tank battery receipt points.
3. In order to qualify for the 5 Year Term Committed Rate, a Committed Shipper must have entered into a TGSA with Carrier during the Open Season, with such TGSA having a minimum term of 5 years following the In-Service Date.
4. In order to qualify for the 10 Year Term Committed Rate, a Committed Shipper must have entered into a TGSA with Carrier during the Open Season, with such TGSA having

a term of at least 10 years or greater following the In-Service Date.

5. An Uncommitted Shipper's Uncommitted Rate will be based on the volume of Crude Petroleum it ships each month on the System, which shall then determine the volume tier applicable to such Uncommitted Shipper.
6. In order to qualify for the 12 Year Term Committed Rate, a Committed Shipper must be an Acreage Dedication Shipper and have entered into a TGSA with Carrier during the Open Season, with such TGSA having a term of 12 years following the In-Service Date.
7. In order to qualify for the Uncommitted Rate based on an acreage dedication, an Uncommitted Shipper must have an effective dedication agreement with Carrier pursuant to which such Uncommitted Shipper has agreed to dedicate and deliver the Crude Petroleum produced from certain, specified dedicated acreage for transportation on Carrier's System. A form of the dedication agreement applicable to Uncommitted Shippers will be available on Carrier's website at [www.oryxmidstream.com](http://www.oryxmidstream.com).
8. A list of each Mainline Receipt Point in Ward, Reeves, and Pecos Counties, Texas, including any incremental fees that will be assessed in addition to the applicable rates set forth in Table 3 for movements from each such Mainline Receipt Point, are included in Table 8.
9. In order to qualify for the 3 Year Term Committed Rate, a Committed Shipper must have entered into a TGSA with Carrier during the Open Season, with such TGSA having a minimum term of 3 years following the In-Service Date.
10. The rates applicable to Tier 1 in Tables 1 and 2 shall be reduced by [U] \$0.05 per Barrel once a cumulative of 60,000,000 Barrels of Crude Petroleum has been delivered by all shippers from all Origin Points contemplated in this tariff to Carrier's System. The rates applicable to Tier 1 in Tables 1 and 2 shall be further reduced by [U] \$0.05 per Barrel when a cumulative of 90,000,000 Barrels of Crude Petroleum has been delivered by all shippers from all Origin Points contemplated in this tariff to Carrier's System. Carrier will provide written notice to all shippers within ten (10) Business Days of the date (a) a cumulative 60,000,000 Barrels of Crude Petroleum and (b) a cumulative 90,000,000 Barrels of Crude Petroleum, in each case, have been delivered by any and all shippers to Carrier's System.
11. An additional truck unloading fee of [I] 7.97 cents per Barrel will be assessed for trucks unloaded onto Carrier's mainline from the truck station Origin Points identified in Table 3.

**TABLE 4  
COMMITTED RATES APPLICABLE TO VC SHIPPERS AND UNCOMMITTED RATES  
FOR PHASE II<sup>12</sup>**

Rates in Dollars per Barrel

<b>Tier</b>	<b>Origin</b>	<b>Destination</b>	<b>Volume (Barrels/Day)</b>	<b>5 Year Term Committed Rate<sup>15</sup></b>	<b>10 Year Term Committed Rate<sup>16</sup></b>	<b>Uncommitted Rate<sup>17</sup></b>	
1	Tank Batteries located in Pecos, Reeves and Ward Counties, Texas <sup>13, 14</sup>	Interconnect at Longhorn Pipeline, Crane, Texas;	>25,000	[I] <u>\$2.4400</u>	[I] <u>\$2.2773</u>	[I] <u>\$2.2663</u>	
2		Or	>20,000 and <= 25,000	[I] <u>\$2.5484</u>	[I] <u>\$2.3857</u>	[I] <u>\$2.3748</u>	
3		Interconnect at Enterprise's facilities in Midland, Texas	>10,000 and <= 20,000	[I] <u>\$2.6569</u>	[I] <u>\$2.4941</u>	[I] <u>\$2.4832</u>	
4		Or	Interconnect at ODOT Crane Station, Crane County, Texas <sup>23</sup>	>=2,000 and <= 10,000	[I] <u>\$2.7654</u>	[I] <u>\$2.6026</u>	[I] <u>\$2.5917</u>
5		Or	Interconnect at ODOT Midland Station, Midland, Texas <sup>23</sup>	< 2,000	N/A	N/A	[I] <u>\$2.7001</u>

**TABLE 5  
COMMITTED RATES APPLICABLE TO ACREAGE DEDICATION SHIPPERS AND  
UNCOMMITTED RATES FOR PHASE II<sup>12</sup>**

Rates in Dollars per Barrel

<b>Tier</b>	<b>Origin</b>	<b>Destination</b>	<b>Acreage Dedication (# Acres)</b>	<b>12 Year Term Committed Rate<sup>18</sup></b>	<b>Uncommitted Rate<sup>19</sup></b>	
0	Tank Batteries located in Pecos, Reeves and Ward Counties, Texas <sup>13, 14</sup>	Interconnect at Longhorn Pipeline, Crane, Texas;	>60,000	[I] <u>\$2.0604</u>	[I] <u>\$2.0496</u>	
1		Or	>40,000 and <= 60,000	[I] <u>\$2.1688</u>	[I] <u>\$2.1580</u>	
2		Interconnect at Enterprise’s facilities in Midland, Texas	>20,000 and <= 40,000	[I] <u>\$2.2773</u>	[I] <u>\$2.2663</u>	
3		Or	Interconnect at ODOT Crane Station, Crane County, Texas <sup>23</sup>	>10,000 and <= 20,000	[I] <u>\$2.3857</u>	[I] <u>\$2.3748</u>
4		Or	Interconnect at ODOT Midland Station, Midland, Texas <sup>23</sup>	>=2,000 and <= 10,000	[I] <u>\$2.4941</u>	[I] <u>\$2.4832</u>

**TABLE 6**  
**COMMITTED RATES APPLICABLE TO VC SHIPPERS AND UNCOMMITTED RATES**  
**FOR PHASE II TRUCK STATIONS/MAINLINE RECEIPTS<sup>12, 21</sup>**

Rates in Dollars per Barrel

Tier	Origin	Destination	Volume (Barrels/Day)	3 Year Term Committed Rate <sup>20</sup>	5 Year Term Committed Rate <sup>15</sup>	Uncommitted Rate <sup>17</sup>
1	Oryx Pyote Truck Station, Oryx 285 Truck Station or Oryx Reeves CRP Truck Station or Mainline Receipt Points in Ward, Reeves, and Pecos Counties, Texas <sup>22</sup>	Interconnect at Longhorn Pipeline, Crane, Texas;	≥10,000	[I] \$1.3014	[I] \$1.2471	[I] \$1.2363
		Or Interconnect at Enterprise’s facilities in Midland, Texas				
2		Or Interconnect at ODOT Crane Station, Crane County, Texas <sup>23</sup>	≥ 2,000 and < 10,000	[I] \$1.3556	[I] \$1.3014	[I] \$1.2905
3		Or Interconnect at ODOT Midland Station, Midland, Texas <sup>23</sup>	< 2,000	N/A	N/A	[I] \$1.3447

**Notes Applicable to Tables 4, 5 and 6**

12. Once Phase II is operational, the rates in Tables 4, 5 and 6 shall apply and the Phase I rates set forth in Tables 1, 2 and 3 are no longer applicable; provided, however, that in the event Carrier is unable to deliver Crude Petroleum to the Enterprise facilities in Midland, Texas due to a Carrier Force Majeure event, but Carrier is able to deliver Crude Petroleum to the Longhorn Pipeline, Crane, Texas, the rates provided in Tables 1, 2 and 3 for Phase I shall apply, but only for so long as Carrier is unable to deliver Crude Petroleum to Enterprise’s facilities in Midland, Texas. In the event of such Force Majeure, Carrier shall provide a notice on its public website of such Force Majeure event and that the rates set forth in Tables 1, 2 and 3 shall apply until the date that the Force Majeure event is resolved.
13. A list of all of the tank battery receipt points located in Pecos, Reeves and Ward Counties, Texas is available on Carrier’s website at [www.oryxmidstream.com](http://www.oryxmidstream.com). Note that Carrier currently has classified its gathering system into the following two segments: (1) the “OTP Central Segment” and (b) the “OTP West Segment.” Carrier also has the right, in its sole discretion, to add additional gathering segments to its System from time to

- time. For clarity, the particular gathering segment that each tank battery receipt point connects into will be stated on Carrier's website.
14. A discount of [U] \$0.15 per Barrel from the applicable rates set forth in Tables 4 and 5 shall apply to those Barrels transported by Shipper on Carrier's System from tank battery receipt points that were constructed by a Committed Shipper in accordance with Section 5.4(c)(ii) of the TGSA, or by an Uncommitted Shipper in accordance with Carrier's connection policy, as such policy is set forth on Carrier's website at [www.oryxmidstream.com](http://www.oryxmidstream.com). For those tank battery receipt points constructed by Carrier where Shipper elects for Carrier to own, operate, maintain and repair the LACT Units, a charge of [U] \$0.1250 shall be assessed in addition to the transportation rates applicable to such Shipper, as set forth in Tables 4 and 5, for shipments originating from such tank battery receipt points.
  15. In order to qualify for the 5 Year Term Committed Rate, a Committed Shipper must have entered into a TGSA with Carrier during the Open Season, with such TGSA having a minimum term of 5 years following the In-Service Date.
  16. In order to qualify for the 10 Year Term Committed Rate, a Committed Shipper must have entered into a TGSA with Carrier during the Open Season, with such TGSA having a term of at least 10 years or greater following the In-Service Date.
  17. An Uncommitted Shipper's Uncommitted Rate will be based on the volume of Crude Petroleum it ships each month on the System, which shall then determine the volume tier applicable to such Uncommitted Shipper. For movements by Uncommitted Shippers from Oryx Crane Truck Station to Interconnect at Longhorn Pipeline, Crane, Texas, the rates and charges set forth in Table 7 below will apply instead of the Uncommitted Rates and charges set forth in Table 6.
  18. In order to qualify for the 12 Year Term Committed Rate, a Committed Shipper must be an Acreage Dedication Shipper and have entered into a TGSA with Carrier during the Open Season, with such TGSA having a term of 12 years following the In-Service Date.
  19. In order to qualify for the Uncommitted Rate based on an acreage dedication, an Uncommitted Shipper must have an effective dedication agreement with Carrier pursuant to which such Uncommitted Shipper has agreed to dedicate and deliver the Crude Petroleum produced from certain, specified dedicated acreage for transportation on Carrier's System. A form of the dedication agreement applicable to Uncommitted Shippers will be available on Carrier's website at [www.oryxmidstream.com](http://www.oryxmidstream.com).
  20. In order to qualify for the 3 Year Term Committed Rate, a Committed Shipper must have entered into a TGSA with Carrier during the Open Season, with such TGSA having a minimum term of 3 years following the In-Service Date.
  21. An additional truck unloading fee of [I] 7.97 cents per Barrel will be assessed for trucks unloaded onto Carrier's mainline from the truck station Origin Points identified in Table 6.
  22. A list of each Mainline Receipt Point in Ward, Reeves, and Pecos Counties, Texas, including any incremental fees that will be assessed in addition to the applicable rates set forth in Table 6 for movements from each such Mainline Receipt Point, are included in Table 8.

23. An incremental fee of [U] 5.00 cents per Barrel will be assessed, in addition to the applicable rates set forth in Tables 4, 5 and 6, for any Barrels that are delivered to the Destination Point at the Interconnect at ODOT Crane Station, Crane County, Texas. An incremental fee of [U] 5.00 cents per Barrel will be assessed, in addition to the applicable rates set forth in Tables 4, 5 and 6, for any Barrels that are delivered to the Destination Point at the Interconnect at ODOT Midland Station, Midland, Texas.

TABLE 7  
UNCOMMITTED RATE FOR PUMPOVER MOVEMENT

Rates in Dollars per Barrel

Origin	Destination	Uncommitted Rate
Oryx Crane Truck Station, Crane, Texas <sup>24</sup>	Interconnect at Longhorn Pipeline, Crane, Texas;	[I] <u>\$0.1372</u>

**Notes Applicable to Table 7**

24. An additional truck unloading fee of [I] 7.97 cents per Barrel will be assessed for trucks unloaded onto Oryx Crane Truck Station, Crane, Texas for further transportation to the Interconnect at Longhorn Pipeline, Crane, Texas.

**TABLE 8  
MAINLINE RECEIPT POINTS AND  
ASSOCIATED INCREMENTAL FEES**

**[I] All Rates in Table 8 are Increased**

Origin Point	Rates in Dollars per Barrel			Rates in Dollars per Barrel	
	Uncommitted Fees <sup>25</sup>			Committed Fees <sup>25</sup>	
	Tier 1 <sup>26</sup>	Tier 2 <sup>27</sup>	Tier 3 <sup>28</sup>	Tier 1 <sup>29</sup>	Tier 2 <sup>30</sup>
<b>Ward County, Texas</b>					
Lockridge Pipeline Interconnect	\$0.1464	\$0.1994	\$0.2526	\$0.1516	\$0.2047
Sheridan Pipeline Interconnect	\$0.5693	\$0.6235	\$0.6778	\$0.5747	\$0.6290
HB Morrison Interconnect	\$0.2169	\$0.2711	\$0.3253	\$0.2223	\$0.2766
Matador Interconnect	\$0.0489	\$0.1030	\$0.1573	\$0.0542	\$0.1084
Bison Interconnect	\$0.1030	\$0.1573	\$0.2115	\$0.1084	\$0.1626
Coldblood Interconnect	N/A	N/A	N/A	N/A	N/A
Lokai Interconnect	N/A	N/A	N/A	N/A	N/A
<b>Reeves County, Texas</b>					
Pecos West Interconnect	N/A	N/A	N/A	N/A	N/A

TABLE 8 (Cont.)  
 MAINLINE RECEIPT POINTS AND  
 ASSOCIATED INCREMENTAL FEES

**[I] All Rates in Table 8 are Increased**

Rates in Dollars per Barrel

Origin Point	Uncommitted Fees <sup>25</sup>			Committed Fees <sup>25</sup>	
	Tier 1 <sup>26</sup>	Tier 2 <sup>27</sup>	Tier 3 <sup>28</sup>	Tier 1 <sup>29</sup>	Tier 2 <sup>30</sup>
<b>Reeves County, Texas</b>					
E-Storm Interconnect	\$0.1576	\$0.2101	\$0.2627	\$0.1681	\$0.2207
Sunshine Interconnect	\$0.1576	\$0.2101	\$0.2627	\$0.1681	\$0.2207
Silverhorn Interconnect	N/A	N/A	N/A	N/A	N/A
Bell-Capps Interconnect	N/A	N/A	N/A	N/A	N/A
Collie Satellite Interconnect	\$0.4435	\$0.4960	\$0.5485	\$0.4540	\$0.5065
Perkins Interconnect	\$0.4435	\$0.4960	\$0.5485	\$0.4540	\$0.5065
Matthews Camp Interconnect	\$0.4435	\$0.4960	\$0.5485	\$0.4540	\$0.5065
Priest Interconnect	\$0.4435	\$0.4960	\$0.5485	\$0.4540	\$0.5065
Midway Interconnect	N/A	N/A	N/A	N/A	N/A
Goliath Interconnect	N/A	N/A	N/A	N/A	N/A
Iwo Jima Interconnect	N/A	N/A	N/A	N/A	N/A

TABLE 8 (Cont.)  
 MAINLINE RECEIPT POINTS AND  
 ASSOCIATED INCREMENTAL FEES

**[I] All Rates in Table 8 are Increased**

Rates in Dollars per Barrel

Origin Point	Uncommitted Fees <sup>25</sup>			Committed Fees <sup>25</sup>	
	Tier 1 <sup>26</sup>	Tier 2 <sup>27</sup>	Tier 3 <sup>28</sup>	Tier 1 <sup>29</sup>	Tier 2 <sup>30</sup>
<b>Reeves County, Texas</b>					
CTB 33 Interconnect	\$0.1576	\$0.2101	\$0.2627	\$0.1681	\$0.2207
Affirmed Interconnect	\$0.7357	\$0.7462	\$0.7567	\$0.7462	\$0.7567
California Chrome Interconnect	\$0.7357	\$0.7462	\$0.7567	\$0.7462	\$0.7567
Smarty Jones Interconnect	\$0.7357	\$0.7462	\$0.7567	\$0.7462	\$0.7567
Omaha Interconnect	\$0.7357	\$0.7462	\$0.7567	\$0.7462	\$0.7567
Count Fleet Interconnect	\$0.7357	\$0.7462	\$0.7567	\$0.7462	\$0.7567
War Admiral Interconnect	\$0.7357	\$0.7462	\$0.7567	\$0.7462	\$0.7567
Poutine CTB Interconnect	N/A	N/A	N/A	N/A	N/A
Meatloaf CTB Interconnect	N/A	N/A	N/A	N/A	N/A
Bush Central Interconnect	\$0.0133	\$0.0658	\$0.1183	\$0.0238	\$0.0763
Volunteer State CTB Interconnect	N/A	N/A	N/A	N/A	N/A
Iceberg Interconnect	N/A	N/A	N/A	N/A	N/A
Hord CTB Interconnect	N/A	N/A	N/A	N/A	N/A

<b>Pecos County, Texas</b>					
Coyanosa Gathering Interconnect	N/A	N/A	N/A	N/A	N/A

**Notes Applicable to Table 8**

- 25. The Uncommitted Fees and Committed Fees will be assessed in addition to the applicable transportation rates set forth Table 3 or Table 6, as applicable.
- 26. The Tier 1 Uncommitted Fees apply to any Uncommitted Shipper that qualifies for the Tier 1 Uncommitted Rates.
- 27. The Tier 2 Uncommitted Fees apply to any Uncommitted Shipper that qualifies for the Tier 2 Uncommitted Rates.
- 28. The Tier 3 Uncommitted Fees apply to any Uncommitted Shipper that qualifies for the Tier 3 Uncommitted Rates.
- 29. The Tier 1 Committer Fees apply to any Committed Shipper that qualifies for the Tier 1 Committed Rates.
- 30. The Tier 2 Committer Fees apply to any Committed Shipper that qualifies for the Tier 2 Committed Rates.

**Explanation of Reference Marks:**

- [C] Cancel.
- [I] Increased rate.
- [N] New.
- [U] Unchanged rate.
- [W] Change in wording only.