

Rate Schedule CS-1  
Sublette, KS Firm Compression Service

5. SERVICE CHARGES

- a) Compression Fee - The Compression Fee-Exhibit A Volumes shown on Sheet No. 53 shall apply to the volumes shown on Exhibit A to the CS-1 Agreement times the number of days in the month regardless of gas flow.
- b) Compression Fee - Additional Gas Volumes - The Compression Fee-Additional Gas Volumes shown on Sheet No. 53 shall apply to gas volumes in excess of the Exhibit A Volumes that are delivered to the Liberal Lateral.
- c) Fuel. Shipper shall also pay for actual fuel used by Northern's Sublette Compressors to compress the GLV and any OSV scheduled to the Liberal Lateral ("Actual Fuel"). The Actual Fuel used will be calculated by multiplying the Total Station Fuel or TSF (defined in Section 2.5) by the product of the [the actual measured volume at the Receipt Point (TSV) less the Other Shipper Volume that is not scheduled for delivery to the Liberal Lateral] divided by the TSV. The formula for the calculation is:  $TSF \times ([TSV - OSV] / TSV)$ . Shipper shall pay Northern for the Actual Fuel in the resolution of the "Imbalance Gas" as defined above.
- d) Unaccounted For. Northern will charge Shipper for the unaccounted for volumes from the Receipt Point to the Delivery Point. Shipper will charge Northern for the unaccounted for volumes from the inlet of the Northern Sublette Compressor Station to the Receipt Point. For purposes of this section, the unaccounted for volumes will be assumed to be equal.

6. RECEIPT AND DELIVERY POINTS; PRESSURE AND GAS QUALITY SPECIFICATIONS

- a) Custody Transfer, Receipt and Delivery Points.

For purposes of measuring volumes for calculating actual fuel, nominating and scheduling volumes, determining compression fees, and defining responsibilities for lost and unaccounted for gas, the Receipt Point shall be the point of division between the parties. For purposes of defining responsibilities and possession of gas, the delineation of ownership and operation of the facilities as set forth on Exhibit B shall be the factor that defines the division between parties.

- b) Receipt and Delivery Pressures.

All gas delivered by Shipper at the Receipt Point must meet the pressure standard specified on Exhibit A. All gas delivered by Northern at the Delivery Point must meet the pressure standard specified on Exhibit A.

- c) Gas Quality Specifications.

All Shipper Gross Liberal Lateral Volumes must conform to the quality specifications for gas stated in the GENERAL TERMS AND CONDITIONS of Northern's Gas Tariff on file with the FERC, or in any succeeding FERC-approved Northern Gas Tariff ("Gas Quality Specifications").

- d) Nonconforming Gas.

Northern shall exercise reasonable best efforts to accept Shipper Gross Liberal Lateral Volumes not in conformance with the Gas Quality Specifications. However, Northern will not accept nonconforming gas if Northern reasonably determines receipt of the gas will cause adverse operational conditions. In no event will Northern be required to accept free water, iron oxide, iron sulfide, calcium chloride or any other chlorides, or hazardous or toxic substances or materials.

7. TERM

The CS-1 Agreement must be executed prior to commencement of service.

Northern and Shipper may agree, on a not unduly discriminatory basis, to contract for extension, including evergreens, rollovers and other extensions.

8. GENERAL TERMS AND CONDITIONS

The GENERAL TERMS AND CONDITIONS of this Tariff are hereby incorporated into and made a part of this Rate Schedule unless there is a conflict with this Rate Schedule CS-1. In the event of a conflict, the terms and conditions contained in this Rate Schedule CS-1 shall apply.