

GENERAL TERMS AND CONDITIONS

- (b) Processing Plants (Shippers without Processing Agreements - Strangers' Gas). To the extent no party has elected to retain the right to process gas it tendered to Northern, or a party elects to retain the right to process but has no agreement for processing at a processing plant, Northern may have such gas (strangers' gas) processed by a processing plant for the purpose of removing any plant products. In such event, Northern will credit revenues it receives from products that are extracted from the Shippers' gas by any processing plant with whom Northern has an arrangement for such extraction.

Northern shall place all such revenues in a processing account and shall distribute the revenues as follows: First, if prior to the beginning of each month, a party notifies Northern that it is claiming the right to process the volumes to be transported pursuant to a throughput service agreement that actually flow through the processing plant but for which the party does not have a processing arrangement with the processing plant, Northern will allocate the revenue received from the processing plant first to all notifying parties on a pro rata GPM basis. The notification will be made to Northern via the nomination process and will include an affidavit.

Second, the remainder of the revenues, after the revenues are allocated to the parties pursuant to the above paragraph, will be credited to the Field Area transportation commodity rates. Northern will file to reduce the Field Area transportation commodity rate for any accumulated revenues received from processing related to Strangers' gas when the annual total would result in the reduction of the currently effective Field Area commodity rates.

Prior to any allocation of revenue received from the processing plant, Northern will be reimbursed from such revenue each month an amount to cover the increased administrative costs associated with the allocation of the revenues.

In the event Northern is held liable for any revenues which have been allocated and distributed to any party in addition to any other remedy it may have, Northern shall have the right to reduce the amount of revenues to be distributed pursuant to the Field Area transportation commodity rate crediting methodology set forth above for future months by the amount paid by Northern for such liability including attorneys' fee and court costs.

Under each option set forth in (a) and (b) above, upon Northern's request, Shipper or its designee shall provide to Northern the GPM content of the gas tendered to Northern by Shipper or its designee at the Points of Receipt under Shipper's Service Agreement or information which Northern deems sufficient to calculate the theoretical GPM content of such gas for allocation purposes. Northern shall have the right to use reasonable means to ensure the accuracy of the information provided by Shipper or its designee. Also, under the option set forth in (a) above, Shipper or its designee may elect to replace PVR at the tailgate of the processing plants through Btu replacement or elect to nominate gas under Shipper's Service Agreement from Receipt Points to the inlet of the processing plant and separately nominate residue gas from the tailgate of the processing plant to the Delivery Points. Interruptible Throughput Agreements which provide for the transportation of PVR replacement quantities shall be accorded the same interruptible nomination and scheduling priority as the underlying interruptible throughput agreement associated with the volumes to be processed. However, if the PVR was transported to the plant via a firm throughput agreement then the PVR replacement volume to be transported pursuant to an interruptible agreement will be scheduled after all firm volumes but prior to other interruptible volumes. In the event Shipper or its designee elects to replace PVR through Btu replacement, Shipper or its designee shall be responsible for any charges on Northern's system incurred to transport the replacement volumes to the tailgate of the processing plant. Also, upon Northern's request, Shipper or its designee shall cause the processing plant, whether or not Shipper or its designee elects to replace Btu's, to provide Northern with the Mcf and Btu content of the residue gas attributable to the processing of Shipper's gas. After processing, all residue gas, and any Btu replacement gas tendered to Northern at the tailgate of a processing plant, must conform to the quality specifications of this Section 44 of the GENERAL TERMS AND CONDITIONS.