

American Panther, LLC

TRANSPORTATION RATE SCHEDULE

Applying on the Transportation of

CRUDE PETROLEUM

(As Defined Herein)

The rate named in this tariff is for the transportation of crude petroleum by pipeline and is subject to the Rules and Regulations herein.

TABLE OF RATES

FROM	TO	RATE IN CENTS PER BARREL OF 42 UNITED STATES GALLONS
West Delta Block 109, Offshore Louisiana	South Pass Block 88 Sub-Sea Tie-in, Offshore Louisiana	1,038.58

Explanation of Reference

Marks:

Effective: May 1, 2016

Issued by:

Luis M. Guzman
 For American Panther, LLC
 By Panther Operating Company, LLC
 16000 Stuebner Airline Road, Suite 420
 Spring, TX 77379

Compiled by:

Liz Johnston
 For American Panther, LLC
 By Panther Operating Company, LLC
 16000 Stuebner Airline Road, Suite 420
 Spring, TX 77379
 832-552-3600
 liz.johnston@panthercompanies.com

Company will accept Crude Petroleum for trunk line interstate transportation only to established destinations subject to the following rules, regulations, and conditions:

RULES, REGULATIONS AND CONDITIONS

5. Definitions

“Barrel” as used herein means forty-two (42) United States gallons at sixty degrees (60°) Fahrenheit.

“Company” as used herein means American Panther, LLC.

“Crude Petroleum” as used herein means the direct liquid products of oil wells, or a mixture of those direct liquid products and the indirect products of oil or gas wells condensate or a mixture thereof from oil or gas wells located in the Southern Louisiana oil province (consisting of the Outer Continental Shelf, State and Federal waters, and onshore Gulf coast production) with a distillation range, quality and general characteristics typical of South Louisiana crude including a sulfur content of less than or equal to 0.5 percent by weight as determined by ASTM Method D4294 without centrifuge.

“API” as used herein means American Petroleum Institute.

“ASTM” as used herein means American Society for Testing Materials.

“Nominate” or “Nomination” as used herein means an offer by a shipper to Company of a stated quantity of Crude Petroleum for transportation from a specified origin to a specified destination in accordance with these rules and regulations.

10. Quality of Crude Petroleum

Crude Petroleum accepted for transportation by Company must be good merchantable oil of such viscosity, pour point and temperature as will permit its being freely handled and transported under conditions existing in the pipeline, and which is properly warranted. Company reserves the right to reject any Crude Petroleum containing more than one percent (1%) of basic sediment, water and other impurities or having a Reid vapor pressure in excess of 12 pounds per square inch at 100 degrees Fahrenheit or having pour point, viscosity, or other characteristics such that it will not be readily susceptible for transportation through Company's existing facilities, or which will materially affect or damage the quality of other shipments or cause disadvantage to other shippers and/or Company, or having an API gravity of less than 20 degrees.

15. Storage Facilities

Company does not furnish storage facilities.

20. Nominations

Any shipper desiring to Nominate Crude Petroleum for transportation hereunder, shall on or before the 25th of the month provide a notice including the name of the shipper, destination and consignee if other than the shipper, of the quantity of Crude Petroleum to be Nominated during the following month in writing via email at nominations@panthercompanies.com. Company will accept changes to Nominations during the shipping month subject to capacity limitations.

25. Crude Petroleum Involved In Litigation

Company shall have the right to reject any Crude Petroleum, when Nominated for transportation, which may be involved in litigation, or the title of which may be in dispute, or which may be encumbered by lien or charge of any kind and it may require of the shipper satisfactory evidence of his perfect and unencumbered title or satisfactory indemnity bond to protect Company.

30. Gauging, Testing, and Deductions

- (a) Quantities for receiving, delivering, assessing charges and all other purposes will be corrected to a temperature of sixty degrees Fahrenheit, in accordance with the latest API/ASTM measurement standards, after deductions of impurities shown by tests made by Company prior to receipt and upon delivery. Quantities will be computed by Company's volumetric accounting computer system, which utilizes the latest tank increment tables and API measurement standards. Quantities may be computed from tank tables compiled or accepted by Company, when approved by Company.
- (b) Pursuant to Item 50, Liability of Company, Crude Petroleum quantities transported may be adjusted to allow for inherent losses including but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses. Company loss adjustment will be made monthly on the basis of total quantities transported and shall be based on the prior three years' actual historical loss experience, adjusted to actuals at the end of the year.
- (c) In addition, whenever the product of oil or gas wells with a gravity that equals or exceeds fifty-five degrees (55°) A.P.I. is permitted to be commingled with other Crude Petroleum in transit, Company shall deduct at the point of origin a percentage of the volume of such Crude Petroleum in accordance with the following table:

<u>Degrees A.P.I. Gravity</u>	<u>Percentage Deduction</u>
Less than 55	None
55 to 74.9	2
75 to 99.9	4
100 and above	5

- (d) The net quantities as determined under paragraphs (a), (b), and (c) of this item will be the quantity deliverable.

35. Mixing in Transit

Crude Petroleum will be accepted for transportation only on condition that it shall be subject to such changes in gravity, quality, or characteristics, while in transit or storage as may result from the mixture with other Crude Petroleum, and Company shall be under no obligation to make delivery of the identical Crude Petroleum received, but may make delivery out of common stock.

40. Origin Facilities Required

Where shipper elects to deliver Crude Petroleum to Company at point of origin through automatic custody transfer facilities (in lieu of tankage), the shipper shall furnish the required automatic measuring and sampling facilities and the design, construction, and calibration of such facilities must be approved by Company and any appropriate regulatory body. In the event automatic custody transfer is made by meters, the shipper shall also furnish whatever pumping service is necessary to insure that the Crude Petroleum being delivered to the meter is at a pressure in excess of the bubble point of the liquid. Shippers shall furnish or arrange with platform owners to furnish pumping equipment necessary to inject its Crude Petroleum into the pipeline. Company shall have the right to limit and control the maximum pumping rate and schedule pumping periods for injection into the pipeline. Such pumping equipment shall be sized so that the pumping rate shall not exceed 120% of the average rate required to inject the quantities of Crude Petroleum scheduled for shipment from the production platform during the schedule period.

45. Destination Facilities Required

Company may refuse to accept Crude Petroleum for transportation unless satisfactory evidence has been furnished that the shipper or consignee has made the necessary arrangements for further shipment beyond.

50. Liability of Company

Company, while in possession of Crude Petroleum herein described, shall not be liable for any loss thereof, damage thereto, or delay caused by act of God, war, sabotage, act of the public enemy, quarantine, the authority of law, requisition or necessity of the government of the United States in time of war, or default of shipper or owner. In case of loss of any Crude Petroleum, from any such causes, after it has been received for transportation and before the same has been delivered to Consignee, the loss will be charged proportionately to each shipper in the ratio that his 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 Company via the lines or other facilities in which the loss occurs; and Company will be obligated to deliver only that portion of such Crude Petroleum remaining after deducting shipper's proportion of such loss determined as aforesaid. Company will compensate shippers for Crude Petroleum losses for which Company is liable by paying the value of such Crude Petroleum at the point where transportation originated.

55. Duty of Company

Company will receive and/or transport and deliver Crude Petroleum with reasonable diligence and dispatch. The shipper or consignee will be notified twenty-four (24) hours prior to the arrival of a shipment of Crude Petroleum and if the shipper or consignee is unable or refuses to receive the Crude Petroleum shipment as it arrives at destination, Company reserves the right to make whatever arrangements for disposition of the Crude Petroleum it deems appropriate in order to clear its pipeline. Any expense incurred by Company in making such arrangements shall be borne by the shipper or consignee, which charges are in addition to transportation charges accruing to shipper or consignee.

60. Inventory Requirements

- (a) Company will require each shipper to supply a prorata share of Crude Petroleum necessary for pipeline fill and working stock (which includes tank bottoms) for efficient operation of Company's pipeline system prior to delivery. Crude Petroleum provided by a shipper for this purpose may be withdrawn from the system only after shipments have ceased and if written notice to discontinue shipments in Company's system is received on or before the 25th day of the preceding calendar month.
- (b) An Inventory Management Fee of \$.40/barrel for each barrel that is in excess of +/- 25% of a shipper's required inventory shall be assessed as follows:
 - Company will calculate an overall monthly volume that is needed for system linefill and tank bottoms, hereafter referred to as "system inventory", during hurricane season and non- hurricane season.
 - Each month, Company will calculate a closing month inventory for each shipper based on each shipper's opening month inventory, total receipts, total deliveries, and loss allowance.
 - Each month, Company will calculate each shipper's prorated share of the system inventory based on the last six (6) months of receipts from each shipper. This will be the shipper's required inventory volume. Company will provide current month data to assist each shipper in calculating its upcoming month inventory nomination in order to remain close to its required inventory.
 - To the extent that a shipper's closing inventory for each month is within +/- 25% of its required inventory as calculated by Company, no fee will be charged. If the shipper is outside its 25% threshold, then a fee will be charged for each barrel outside the 25% threshold.
 - Example of Inventory Management Fee Calculation:

Shipper	Required Inventory	Allowed Over/Under Percentage	Minimum Required Inventory	Maximum Required Inventory	Actual Closing Inventory	\$/Bbl Fee	Inventory Outside Allowed %	Inventory Fee Total
Shipper 1	1,330	25%	997	1,663	(1,146)	\$0.40	(2,143)	\$857.20
Shipper 2	99,385	25%	74,539	124,231	101,254	\$0.40	0	\$0
Shipper 3	1,306	25%	979	1,633	2,413	\$0.40	780	\$312.00

65. Payment of Transportation and Other Charges

Crude Petroleum accepted for transportation shall be subject to the rates and charges in effect on the date of receipt of such Crude Petroleum by Company. Transportation charges will be assessed and collected by Company at the rates named herein on the basis of Gross Standard Volume actually received at the origin/delivery point(s) after making adjustments provided in Item 30(b) above. All net quantities will be determined in the manner provided in Item 30.

The shipper or consignee shall pay the transportation and all other charges applicable to the shipment, and, if required, shall prepay or guarantee the same before acceptance by Company, or pay the same before delivery. Company shall have a lien on all Crude Petroleum in its possession belonging to the shipper to secure the payment of all unpaid transportation charges as well as demurrage charges due by such shipper and may withhold such Crude Petroleum from delivery until all of such unpaid charges shall have been paid. If said charges shall remain unpaid five (5) days after the time which may be fixed for delivery as provided for in Item 60, or, in the absence of unpaid charges, when there shall be failure to take the Crude Petroleum at the point of destination as provided in these rules and regulations, Company may, by an agent, sell said Crude Petroleum for cash making said sale at Company's public office in 919 Milam Street, Suite 2450, Houston, Texas 77002, on any day not a legal holiday and not less than forty-eight (48) hours after publication of notice in a daily newspaper in said city of the time and place of such sale and the quantity of Crude Petroleum to be sold.

Company may be a bidder and purchaser at such sale. Out of the proceeds of the sale Company may pay itself all transportation, including demurrage, and any other lawful charges, including expense of notice, advertisement, sale, and care for and maintaining the Crude Petroleum. The balance shall be held for whomsoever may be lawfully entitled thereto.

71. Apportionment when Nominations Are in Excess of Facilities

I. Prorating:

At such times as Company determines that it may be necessary to allocate space in a pipeline segment, Company will notify all shippers of the necessity to prorate the segment. Company will also notify each shipper of its allocated space for the month. The allocation will be determined according to the procedure described in Section II of this Item.

II. Allocation Procedure:

At such times as Company determines that it may be necessary to prorate space in a pipeline segment, the transportation furnished by Company shall be prorated among "Regular Shippers" and "New Shippers" as follows:

- (1) Not more than five (5) percent of the total available allocated capacity of Company's system, or portion thereof, shall be made available to New Shippers. Each New Shipper shall be allocated a portion of the capacity available to all New Shippers, which is the lesser of:
 - a. Five percent (5%) of the total available allocated capacity of Company's system, or portion thereof, divided by the number of New Shippers who nominated volumes for

- shipment on the system, or portion thereof during the month for which the allocation is being calculated; or
- b. One-fourth of five percent (1.25%) of the available capacity of the system or portion thereof for that month; or
 - c. Individual New Shipper nomination during month of allocation.
- (2) The remaining capacity shall be allocated among Regular Shippers in proportion to their Base Period shipment volumes. The "Base Period" is a period of 12 months beginning 13 months prior to the month of allocation and excluding the month preceding the month of allocation.

A "Regular Shipper" is any shipper having a record of movements of Crude Petroleum during the Base Period on the line segment being prorated and had record of movements of Crude Petroleum on the line segment being prorated prior to the Base Period. A "New Shipper" is a shipper who does not qualify as a Regular Shipper under the above definition. No Nominations shall be considered beyond the amount which the party requesting shipment has available for shipment. Company reserves the right to require a shipper to show sufficient evidence of available volume.

75. Use of Communication Facilities

Without additional charge Company will transmit messages for shippers incident to the business hereunder over the private communication facilities of Company, but Company shall not be obligated to deliver messages, nor shall it be liable for failure of delivery of messages, and it shall not be liable for errors or delay in transmission or for interruption of the service.

80. Notice of Claims

Claims for loss or damage must be made in writing to American Panther, LLC, 919 Milam Street, Suite 2450, Houston, Texas 77002, within nine (9) months after delivery of the property, or in case of failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) day after delivery of the property, or in case of a failure to make delivery, then within two (2) years and one (1) day after a reasonable time for delivery has elapsed; provided, however, that where claims have been duly filed with Company, suit must be brought within two (2) years and one (1) day after notice in writing is given by Company to the claimant that Company has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and Company will not be liable.

85. Application of Rates from/to Intermediate Origin/ Destination Points

For Crude Petroleum accepted for transportation from any origin point on Company's lines not named in the individual tariffs, which is intermediate to any published origin and/or destination points for which rates are published, Company will apply from such unnamed point the rate published from the next more distant point specified. If branch or diverging lines create two or more "next most distant points", Company will apply the rate which will result in the lowest charge.

For Crude Petroleum accepted for transportation to any destination point on Company's lines not named in the individual tariffs, which is intermediate to any published destination and/or origin points for which rates are published, Company will apply to such unnamed point the rate published to the next more

distant point specified. If branch or diverging lines create two or more "next most distant points," Company will apply the rate which will result in the lowest charge.

Company will file a tariff applicable to such transportation movements within 30 days of the start of the service if the intermediate point is to be used on a continuous basis for more than 30 days.

90. Connection Policy

Connections to Company's pipeline(s) will only be considered if made by formal written notification to Company and all requests will be subject to the following standards and conditions.

All connections will be subject to design requirements necessary to protect the safety, security, integrity and efficient operation of Company's pipeline(s) in accordance with generally accepted industry standards. Acceptance of any request for connection will be subject to compliance with governmental regulations.

95. Pipage or Other Contract Required

Separate pipage and other contracts in accordance with these rules and regulations covering further details may be required by Company before any duty for transportation shall arise.

100. Credit-worthiness of Shippers

All prospective shippers must submit sufficient financial information to establish credit-worthiness. If a potential shipper is not credit-worthy or if shipper's credit deteriorates, Company will require prepayment of tariff related charges and/or a letter of credit from an appropriate financial institution in acceptable form to Company.