

AMERICAN PANTHER, LLC

LOCAL TARIFF

Applying on the Transportation of

CRUDE PETROLEUM

(As Defined Herein)

TIGER SHOALS PIPELINE SYSTEM

Subject to the Rules and Regulations shown on Pages 2 through 8.

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

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TABLE OF CONTENTS

<u>Item No.</u>	<u>Subject</u>	<u>Page No.</u>
5	Definitions	3
10	Nominations	3
15	Line Fill and Tank Bottom Inventory Requirements	3
20	Title	4
25	Specification as to Quality Received	4
30	Common Stream Crude Petroleum – Connecting Carriers	4
35	Shipments, Maintenance of Identity	4
40	Mixtures	5
45	Additives	5
50	Duty of Carrier	5
55	Origin Facilities Required Automatic Custody Transfer	5
60	Destination Facilities Required	5
65	Notice of Arrival and Delivery at Destination	5
70	Gauging, Testing and Deductions	6
76	Apportionment When Nominations Are in Excess of Facilities	6
80	Application of Rates and Charges	7
85	Application of Rates from and to Intermediate Points	7
90	Charge for Compensation Funds and Fees Incurred by Company	7
100	Payment of Transportation and Other Charges	7
105	Diversion	8
110	Liability of Carrier	8
116	Notice of Claims	8
120	Pipeage or Other Contracts	8
125	Credit-worthiness of Shippers	8
	Transportation Rates	9

5. DEFINITIONS

"Barrel" as herein used means forty-two (42) United States gallons at sixty degrees (60°) Fahrenheit and zero (0) gauge pressure if the vapor pressure of the Crude Petroleum is at or below atmospheric pressure, or at equilibrium pressure if the vapor pressure of the Crude Petroleum is above atmospheric pressure.

"Carrier" as herein used means American Panther, LLC.

"Consignee" - as herein used means the party to whom a Shipper has ordered the delivery of Crude Petroleum.

"Consignor" - as herein used means the party from whom a Shipper has ordered the receipt of Crude Petroleum.

"Crude Petroleum" as herein used means the direct liquid products of oil wells, or a mixture of the direct liquid products of oil wells with the indirect liquid products of oil and gas wells including gasoline and liquefied petroleum gases, as provided in Item 40 (Mixtures).

"Nominate" or "Nomination" as herein used means an offer by a Shipper to the Carrier of a stated quantity of Crude Petroleum for transportation from a specified origin or origins to a specified destination in accordance with these rules.

"Shipper" as herein used means a party who contracts with Carrier for transportation of Crude Petroleum, as defined herein and under the terms of these rules.

10. Nominations

All Shippers and Consignees desiring to ship or receive Crude Petroleum through the pipelines of Carrier shall provide Carrier, in writing via email at nominations@panthercompanies.com, the following information needed by Carrier to schedule and dispatch each shipment of Crude Petroleum: the kind, quantity, receipt point, sequence of delivery, delivery point and Shipper of each proposed Crude Petroleum shipment. Nominations must be received by the Final Nomination Deadline. The Final Nomination Deadline is 12:00 p.m. on the twenty-fifth (25th) day (excluding Carrier holidays) of the month preceding the month in which Shipper desires to ship. Carrier will inform Shippers of Carrier holidays at the time they become Shippers and thereafter on January 15 of each year in the event the holidays are changed.

Nominations or changes in Nominations received after the Final Nomination Deadline will not be accepted from the Final Nomination Deadline date to the first day of the following month. After the first of the month, changes will be accepted only in writing and only if space is available and the additional or changed Nominations do not impair the movement of Crude Petroleum Nominated prior to the Final Nomination Deadline.

All Nominations must contain a final destination point to be accepted.

In the event the total Nominations submitted for shipment in a pipeline segment exceed the capacity of that segment, the capacity will be prorated equitably among all shipments according to the proration procedure set forth in item 71.

15. Line Fill and Tank Bottom Inventory Requirements

Prior to delivering Barrels out of Carrier's pipeline system, each Shipper will be required to supply a pro rata share of Crude Petroleum necessary for pipeline and tankage fill to ensure efficient operation of Carrier's pipeline system. Crude Petroleum provided by Shippers for this purpose may be withdrawn only after: (1) shipments have ceased and the Shipper has notified Carrier in writing of its intention to discontinue shipments in Carrier's system, and (2) Shipper balances have been reconciled between Shipper and Carrier. Carrier, at its discretion, may require advance payment of transportation charges on the volumes to be cleared from Carrier's system, and any unpaid accounts receivable, before final

delivery will be made.

Carrier shall have a reasonable period of time from the receipt of said notice to complete administrative and operational requirements incidental to Shipper withdrawal.

20. Title

The Carrier 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 a lien or charge of any kind, and it may require of the Shipper satisfactory evidence of its perfect and unencumbered title or satisfactory indemnity bond to protect Carrier. By Nominating Crude Petroleum, the Shipper warrants and guarantees that the Shipper has good title thereto and agrees to hold Carrier harmless for any and all loss, cost, liability, damage and/or expense resulting from failure of title thereto; provided, that acceptance for transportation shall not be deemed a representation by the Carrier as to title.

25. Specification As To Quality Received

No Crude Petroleum will be accepted for transportation except merchantable Crude Petroleum which is properly settled and contains not more than one percent (1%) of basic sediment, water, and other impurities, and has a temperature not in excess of one hundred and twenty degrees (120°) Fahrenheit and its gravity, viscosity, pour point, and other characteristics are such that it will be readily susceptible to transportation through the Carrier's existing facilities, and will not materially affect the quality of other shipments or cause disadvantage to other Shippers and/or the Carrier. If Crude Petroleum is accepted from tankage, settled bottoms in such tanks must not be above a point four inches (4") below the bottom of the pipeline connection with the tank from which it enters Carrier's facilities.

Sediment and water limitations of a connecting carrier may be imposed upon Carrier when such limits are less than that of Carrier, in which case the limitations of the connecting carrier will be applied.

Carrier may, from time to time, undertake to transport other or additional grades of Crude Petroleum and if, in the opinion of Carrier, sufficient quantities are Nominated or facilities are not available to justify continued transportation of other or additional grades, Carrier may, after giving reasonable notice to Shippers who may be affected, cease transporting particular grades of Crude Petroleum.

If, upon investigation, Carrier determines that a Shipper has delivered to Carrier's facilities Crude Petroleum that has been contaminated by the existence of and/or excess amounts of impure substances, including but not limited to, chlorinated and/or oxygenated hydrocarbons, arsenic, lead and/or other metals, such Shipper will be excluded from further entry into applicable segments of the pipeline system until such time as quality specifications are met to the satisfaction of Carrier. Further, Carrier reserves the right to dispose of any contaminated Crude Petroleum blocking its pipeline system. Disposal thereof, if necessary, may be made in any reasonable commercial manner, and any liability associated with the contamination or disposal of any Crude Petroleum shall be borne by the Shipper introducing the contaminated Crude Petroleum into Carrier's system.

30. Common Stream Crude Petroleum - Connecting Carriers

When both receipts from and deliveries to a connecting pipeline of substantially the same grade of Crude Petroleum are scheduled at the same interconnection, Carrier reserves the right, with the cooperation of the operator of the connecting pipeline, to offset like volumes of such common stream Crude Petroleum in order to avoid the unnecessary use of energy which would be required to physically pump the offsetting volumes. When this right is exercised, Carrier will make the further deliveries for the Shipper involved from Carrier's common stream Crude Petroleum.

35. Shipments, Maintenance of Identity

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 by Shipper; Carrier will deliver the grade of Crude Petroleum it is regularly transporting as a common stream.

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.

40. Mixtures

The indirect liquid products of oil and gas wells, including gasoline and liquefied petroleum gases, hereinafter referred to as indirect products, will be accepted and transported as a mixture with the direct liquid products of oil wells, hereinafter referred to as direct products, provided that the vapor pressure of the resulting mixture does not exceed that permitted by Carrier's facilities and operating conditions.

The indirect products portion of the mixture will be accepted for transportation at reception points other than the one at which the direct products portion of the same mixture is received, provided that the Shipper, Consignee, and destination are the same, and that operating conditions and the Carrier's facilities permit the indirect products portion to be mixed with the direct products of the same Shipper or Consignee.

Mixtures will be transported and delivered as Crude Petroleum only. Nothing in this item is to be construed to waive provisions of Item 35 (Shipments, Maintenance of Identity) of these items or to require the Carrier to receive, transport, and deliver unmixed indirect products. However, unmixed indirect products may be transported for subsequent mixing with direct products in accordance with this item where facilities exist and operations permit transporting such indirect products.

45. Additives

Carrier reserves the right to require, approve or reject the injection of corrosion inhibitors, viscosity or pour point depressants or other such additives in Crude Petroleum to be transported.

50. Duty of Carrier

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 can not commit to delivering Crude Petroleum to a particular destination, at a particular time.

55. Origin Facilities Requires for Automatic Custody Transfer

Where Consignor (or Shipper) elects to deliver Crude Petroleum to the Carrier at point of origin through automatic custody transfer facilities (in lieu of tankage), the Consignor (or Shipper) shall furnish the required automatic measuring and sampling facilities and the design, construction, and calibration of such facilities must be approved by the Carrier and any appropriate regulatory body. In the event automatic custody transfer is made by meters, the Consignor (or Shipper) shall also furnish whatever pumping service is necessary to ensure that the Crude Petroleum being delivered to the meter is at a pressure in excess of the bubble point of the liquid.

60. Destination Facilities Required

The Carrier will accept Crude Petroleum for transportation only when the Shipper or Consignee has made the necessary arrangements for shipment beyond or has provided the necessary facilities for receiving said Crude Petroleum as it arrives at the destination.

65. Notice of Arrival and Delivery at Destination

The obligation of the Carrier is to deliver the quantity of Crude Petroleum to be transported, less deductions, at the specified destination. Such delivery may be made upon twenty-four (24) hours notice to the Shipper or Consignee who shall accept and receive said Crude Petroleum from the Carrier with all possible dispatch into tanks or receptacles arranged for or provided by the Shipper or Consignee.

If the Shipper, or Consignee, is unable or refuses to receive said Crude Petroleum as it arrives at the specified destination, the Carrier reserves the right to make whatever arrangements for disposition of the Crude Petroleum it deems appropriate in order to clear its pipeline. Any additional expenses incurred by the Carrier in making such arrangements shall be borne by the Shipper or Consignee.

70. Gauging, Testing and Deductions

All shipments Nominated to Carrier for transportation shall be tested, gauged or metered by a representative of Carrier prior to, or at the time of receipt from the Shipper and delivery to Shipper or Consignee, but the Shipper or Consignee shall at all times have the privilege of being present or represented during the testing, gauging or metering.

- (a) Quantities for receiving and delivering will be net standard volume. Quantities may be computed from tank tables compiled or accepted by the Carrier.
- (b) The volume of impurities in Crude Petroleum received and delivered by Carrier will be measured by centrifugal test, or by such other tests as may be agreed upon by the Shipper and Carrier. The volume of impurities will be deducted from the volume of such receipts and deliveries.
- (c) In addition to deductions for losses as provided for in the Liability of Carrier section of this tariff, Crude Petroleum quantities received for transportation may be adjusted to allow for inherent losses including but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses. Carrier's loss adjustment will be made monthly on the basis of total quantities transported and shall be based on the prior three calendar years' actual historical loss experience, adjusted to actuals at the end of the year.
- (d) 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, Carrier shall deduct at the point of origin a percentage of the volume of such Crude Petroleum in accordance with the following table:

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

The net balance after all deductions will be the quantity Carrier is obligated to deliver to the Consignee.

76. Apportionment When Nominations Are in Excess of Facilities

I. Prorationing:

At such times as Carrier determines that it may be necessary to allocate space in a pipeline segment, Carrier will notify all Shippers of the necessity to prorate the segment. Carrier 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 Carrier determines that it may be necessary to prorate space in a pipeline segment, the transportation furnished by Carrier 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 Carrier'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 Carrier'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. Carrier reserves the right to require Shipper to show sufficient evidence of available volume.

80. Application Of Rates and 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 the Carrier. Trunk line transportation and all other lawful charges will be collected on the basis of the gross standard quantities of Crude Petroleum received.

85. Application Of Rates From And To Intermediate Points

For Crude Petroleum accepted for transportation from any point on Carrier's lines not named in a particular tariff, which is intermediate to a point from which rates are published in said tariff, through such unnamed point, the rate published from the next more distant point specified in such tariff will apply. For Crude Petroleum accepted for transportation to any point not named in a particular tariff which is intermediate to a point to which rates are published in said tariffs, through such unnamed point, the rate published therein to the next more distant point specified in the tariff will apply.

90. Charge For Compensation Fund Fees Incurred By Company

In addition to all other charges accruing on Crude Petroleum accepted for transportation through Carrier's facilities, a per Barrel charge will be assessed and collected in the amount of any tax, fee, or other charge levied against Carrier by any Federal, State or local agency for the purpose of creating a fund for the reimbursement of parties who sustain costs or losses resulting from oil pipeline industry operations.

100. Payment Of Transportation and Other Charges

Shipper shall be responsible for payment of transportation and all other charges applicable to the shipment, and at the discretion of Carrier, may be required to prepay such charges or furnish guaranty of payment satisfactory to Carrier. Carrier shall have a lien on all Crude Petroleum accepted for transportation to cover payment of all charges, including demurrage and late charges and may refuse to make delivery of the Crude Petroleum until all charges have been paid. If said charges, or any part thereof, shall remain unpaid for five days after notice of readiness to deliver, the Carrier may sell the Crude Petroleum at public auction. Carrier shall have a lien on Crude Petroleum when there shall be failure to take the Crude Petroleum at the point of destination as provided in Item 65 (Notice of Arrival and Delivery at Destination). Carrier shall have the right to sell said Crude Petroleum at such public auction, for cash. The auction will be held on any day not a Sunday or legal holiday, and not less than forty-eight (48) hours after publication of notice, in a daily newspaper, of the time and place of such sale and the quantity of Crude Petroleum to be sold. Carrier may be a bidder and purchaser at such sale. Out of the

proceeds of said sale, Carrier shall pay itself for all transportation, demurrage, and other lawful charges, expenses of notice, advertisement, sale and other necessary expenses, and expenses of caring for and maintaining the Crude Petroleum, and the balance shall be held for whomsoever may be lawfully entitled thereto after the auction. If the proceeds of said sale do not cover all expenses incurred by Carrier, the Shipper and/or Consignee are liable to Carrier for any deficiency.

105. Diversion

Subject to Item 10 (Nominations) change in destination or routing will be permitted without additional charge, on written request from the Shipper, provided an applicable tariff is in effect for any requested destination or routing, and provided that no back-haul is required.

110. Liability Of Carrier

The Carrier while in possession of any of the Crude Petroleum herein described shall not be liable for any loss thereof, damage thereto, or delay, except to the extent that liability therefore is imposed on the Carrier by law. In case of loss of Crude Petroleum for which Carrier is not responsible, the Shipper shall bear the loss. Where such loss occurs in a tank containing Crude Petroleum which is the property of more than one Shipper, or in a line containing a segregated batch of Crude Petroleum which is the property of more than one Shipper, each Shipper shall bear the loss in such proportion as its volume in said tank or batch bears to the total volume in said tank or batch.

116 Notice of Claims

Claims for loss or damage must be made in writing to the Carrier at the address of the compiler of the tariff, attention: LEGAL DEPARTMENT, within nine (9) months after delivery of the property, or in case of a failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Parties other statutory or contractual rights shall not otherwise be diminished by this provision. 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 the Carrier, suit must be brought within two (2) years and one (1) day after notice in writing is given by the Carrier to the claimant that the Carrier has disallowed the claim for 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 the Carrier will not be liable.

120. Pipeage or Other Contracts

Separate pipeage and other contracts may be required of a Shipper, in accordance with the applicable tariff and these rules, before any duty of transportation by the Carrier shall arise.

125. Credit-worthiness of Shippers

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

Transportation Rates

(Rates in cents per Barrel of 42 United States Gallons each)

	Destination	Rate
Vermilion Bay Subsea Tie-In, Vermilion Parish, Louisiana	Erath, Vermilion Parish, Louisiana	[I] <u>99.20</u>
South Marsh Island Block 236A, Offshore Louisiana		[I] <u>359.99</u>
Tiger Shoal A – South Marsh Island Block 217A, Offshore Louisiana		[I] <u>359.99</u>
Lighthouse Point A – South Marsh Island Block 207, Vermilion Parish, Louisiana		[I] <u>359.99</u>

EXPLANATION OF REFERENCE MARKS:

- [W] Change in Wording
- [I] Increase