

CONTRACT NO: XXX-XXXXX-XX-XXX

**AGREEMENT FOR
NGPA § 311 INTERRUPTIBLE NATURAL GAS STORAGE SERVICES**

BETWEEN

ARCADIA GAS STORAGE, L.L.C.

AND

DATE OF AGREEMENT

AGREEMENT FOR NGPA § 311 INTERRUPTIBLE STORAGE SERVICES

CONTRACT NO: XXX-XXXXX-XX-XXX

THIS AGREEMENT FOR NGPA § 311 INTERRUPTIBLE STORAGE SERVICES ("AGREEMENT") made and entered into as of this ____ day of _____, 2009, by and between **ARCADIA GAS STORAGE, L.L.C.**, a Texas limited liability company, hereinafter referred to as "Arcadia," and _____, a _____, hereinafter referred to as "Customer," both sometimes collectively hereinafter referred to as the "parties."

WITNESSETH:

WHEREAS, Arcadia is constructing, and when completed, will operate certain underground natural gas storage and exchange facilities, together with other appurtenant facilities relative thereto, located near Arcadia, Bienville Parish, Louisiana (the "Storage Facilities");

WHEREAS, Customer has or will have Gas available;

WHEREAS, Customer desires that Arcadia provide NGPA § 311 Interruptible storage services ("Services") offered at its Storage Facilities, and Arcadia desires to perform such Services; and

WHEREAS, the parties intend that the Agreement consists of this Agreement, the "Statement of Operating Conditions" attached hereto as Exhibit "A" (the "SOC") (hereinafter collectively referred to as the "Agreement" or the "Services Agreement").

NOW, THEREFORE, in consideration of the premises and of the mutual benefits, covenants, and agreements herein contained, together with good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed by both parties hereto, both parties do hereby agree as follows:

ARTICLE I

NGPA § 311 INTERRUPTIBLE STORAGE SERVICES

- 1.1 From time to time, Customer may request Arcadia to provide one or more Interruptible Services. If the parties are able to mutually agree to the terms of the Interruptible Services to be performed, the parties shall execute a written confirmation in the form of the Confirmation. Execution of a Confirmation by both parties shall create a binding agreement between Customer and Arcadia to perform the requested Service(s) under the terms of this Agreement.
- 1.2 Services are provided subject to this Agreement, together with the SOC set forth in Exhibit "A", as they may be amended from time-to-time, and any executed Confirmation substantially in the form shown in Exhibit "B."

- 1.3 The Services provided under this Service Agreement and its Confirmation(s) are subject to Section 311(a)(2) of the Natural Gas Policy Act of 1978 (the “NGPA”), Subpart C of Part 284 of the FERC regulations, and the provisions of Arcadia’s Statement of Operating Conditions, which are incorporated herein by reference, as if fully set forth herein.
- 1.4 The Services available pursuant to this Agreement are subject to the Maximum Storage Quantity as set forth on the Confirmation(s).
- 1.5 The Services available pursuant to this Agreement are subject to the Maximum Daily Injection Quantity as set forth on the Confirmation(s).
- 1.6 The Services available pursuant to this Agreement are subject to the Maximum Daily Withdrawal Quantity as set forth on the Confirmation(s).
- 1.7 Customer represents and warrants that:
 - (i) Customer or Customer’s agent will at some point either: (a) have physical custody of and transport the gas stored by Arcadia hereunder; or (b) hold title to the subject gas for a purpose related to its status and functions as an interstate pipeline or local distribution company served by an interstate pipeline; and
 - (ii) Customer will arrange for the delivery and/or receipt of the gas to be stored by any necessary third party.

CUSTOMER HEREBY INDEMNIFIES AND HOLDS HARMLESS ARCADIA FROM ALL SUITS, ACTIONS, LOSSES, EXPENSES (INCLUDING ATTORNEYS’ FEES), AND REGULATORY PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH A BREACH OF THE REPRESENTATIONS AND WARRANTIES MADE BY CUSTOMER ABOVE.

ARTICLE II

TERM

- 2.1 “Commencement Date” is defined in Section 9.1 of this Statement of Operating Conditions and shall be the date as set out above. Such date shall also be the first day of the Contract Term. “Completion Date” is defined in Section 9.1 of this Statement of Operating Conditions and means the date that the primary term of this Agreement expires.
- 2.2 This Agreement is for a term of one year commencing on the Commencement Date, and then from year to year thereafter until terminated by either party by giving written notice to the other at least sixty (60) days prior to the end of the applicable Contract Year. In all events, this Agreement shall remain in effect until the expiration of the latest Confirmation entered into prior to the expiration of the Contract Year. THE OBLIGATIONS TO MAKE PAYMENT HEREUNDER, AND THE OBLIGATION OF

EITHER PARTY TO INDEMNIFY THE OTHER, PURSUANT HERETO SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE III

SERVICES CHARGES

- 3.1 The rates for Services performed under this Agreement shall be as set forth in each individually negotiated Confirmation and include all penalties and other charges described in the SOC, to the extent applicable to any Service.
- 3.2 Arcadia reserves the right to seek appropriate regulatory authorization to increase, decrease, redesign or restructure the maximum and/or minimum rates (including market based rates) that may be charged for Services.

ARTICLE IV

POINT(S) OF RECEIPT AND DELIVERY

- 4.1 The Point(s) of Receipt for all Gas to be tendered by Customer to Arcadia for injection into the Storage Facilities shall be as specified in each Confirmation. The Maximum Daily Injection Quantity that Arcadia is obligated to receive from Customer at each such individual Point of Receipt shall not exceed the maximum stated in the Confirmation.
- 4.2 The Point(s) of Delivery for all Gas to be tendered by Arcadia to Customer for delivery pursuant to the terms hereof shall be as specified in each Confirmation. The Maximum Daily Withdrawal Quantity that Arcadia is obligated to deliver to Customer at each such Point of Delivery shall not exceed the maximum stated in the Confirmation.

ARTICLE V

CORRESPONDENCE TO CUSTOMER

- 5.1 Any notice, request, invoice or statement required in this Agreement to be provided to Customer by Arcadia shall be in writing, and may be transmitted via ordinary mail, overnight mail, courier, or fax as specified below. Notice sent by fax shall be deemed received upon the sending party's receipt of its fax confirmation thereof. Notice by overnight mail or courier shall be deemed received upon actual receipt.

BY U.S. MAIL

BY FACSIMILE:

BY OVERNIGHT MAIL OR COURIER

BILLING AND ACCOUNTING ISSUES TO CUSTOMER:

Facsimile:_____

Any correspondence, including payments, from Customer to Arcadia shall be as provided in the SOC.

ARTICLE VI

MISCELLANEOUS

- 6.1 This Agreement has been negotiated at arm's length between non-affiliated parties, and neither party, by reason of the execution hereof, acquires any right to control or participate in the management or operation of the other party's properties. Neither party shall be charged with the performance of any of the other party's duties or obligations in connection with the operation of the properties affected hereby.
- 6.2 **NEITHER ARCADIA NOR CUSTOMER SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES OF ANY KIND, NOR SHALL THIS AGREEMENT CONFER THIRD PARTY BENEFICIARY STATUS ON ANY PERSON.**
- 6.3 Customer agrees that Arcadia shall have the unilateral right to file with the appropriate state or federal regulatory agency and make changes effective in (a) any applicable maximum or minimum rates for Services, and (b) any provision of the SOC. Arcadia shall provide written notice to Customer of any such changes. Arcadia agrees that Customer may contest any of the above-mentioned filings by Arcadia, and that Customer reserves whatever rights it may have with respect to such filings.
- 6.4 **CUSTOMER AGREES TO INDEMNIFY AND HOLD ARCADIA HARMLESS FROM AND AGAINST ANY LIABILITY TO IT IN THE EVENT GAS IS TAKEN BY THE LOUISIANA OFFICE OF CONSERVATION UNDER EMERGENCY GAS ALLOCATION PROCEDURES AND PROCESS.**
- 6.5 The descriptive headings of the provisions of this Agreement are formulated and used for convenience only and shall not be deemed to affect the meaning or construction of any such provisions.

- 6.6 In the event that any term or provision in this Agreement is inconsistent with any term or provision in the SOC, the Agreement shall control.
- 6.7 The terms of a Confirmation prepared pursuant hereto, including but not limited to the applicable charges, quantity, and all other material terms, shall be kept confidential by the parties hereto, except to the extent that any information must be disclosed (i) to a third party for the purpose of effectuating transportation of Gas subject to this Agreement, (ii) to meet New York Mercantile Exchange requirements or regulatory filing requirements, or (iii) as otherwise required by law.
- 6.8 This Agreement shall be governed by and construed, enforced, and performed in accordance with the law of the State of Texas, without regard to principles of conflicts of law.

ACCEPTED AND AGREED THIS
 ____ DAY OF _____, 2011

ACCEPTED AND AGREED THIS
 ____ DAY OF _____, 2011

**ARCADIA GAS
 STORAGE, L.L.C.**

By: _____
 Title: _____

By: _____
 Title: _____

EXHIBIT "B"
Confirmation

DATED _____

Customer

Attn: _____
Address: _____

Fax: _____

Arcadia

Arcadia Gas Storage, L.L.C.

QUANTITY: (a) Maximum Daily Withdrawal Quantity (MDWQ) ___ MMBtu/day
 (b) Maximum Daily Injection Quantity (MDIQ) ___ MMBtu/day
 (c) Maximum Storage Quantity (MSQ) ___ MMBtu or Bcf

TERM: _____

STORAGE SERVICE CHARGES:

Storage Service	Base Rate	Fuel & Loss
Injection Rate	___/MMBtu	_____
Deliverability Rate	___/MMBtu	_____
Excess injection	\$___/MMBtu	
Excess withdrawal	\$___/MMBtu	

TYPE OF HUB SERVICE:

___ PARK ___ LOAN
___ WHEEL ___ BALANCING ___ IMBALANCE TRADE

QUANTITY:

TERM: _____

HUB SERVICE CHARGES:

	Base Rate	Fuel & Loss
Injection Rate	___/MMBtu	_____
Deliverability Rate	___/MMBtu	_____

OR

Parking Service \$ ___/MMBtu up to ___ MMBtu/day

Wheeling Service \$ ___/MMBtu up to ___ MMBtu/day

Excess Wheeling Service \$ ___/MMBtu for volumes in excess of ___ MMBtu/day

Loan Service \$ ___/MMBtu up to ___ MMBtu/day

Balancing Service \$ ___/MMBtu up to ___ MMBtu/day

Imbalance Trade \$ ___/MMBtu up to ___ MMBtu/day

OTHER SERVICE CHARGES:

Gas Title Transfer \$ _____/MMBtu

POINT(S) OF DELIVERY: _____

Quantity Date

POINT(S) OF RECEIPT: _____

OTHER TERMS AND CONDITIONS:

This Confirmation shall confirm the verbal agreement reached between Customer and Arcadia to proceed pursuant to the above general terms and shall incorporate the terms and conditions of the Agreement for NGPA § 311 Interruptible Storage Services.

Please acknowledge receipt and acceptance of the above terms by signing below and returning by facsimile as soon as possible to the Arcadia representative named below. This Confirmation is binding upon the parties unless Arcadia or Customer is notified of a dispute with all or a portion hereof within 24 hours after receipt hereof.

**ARCADIA GAS
STORAGE, L.L.C.**

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____