2

OPERATIONAL BALANCING AGREEMENT
between

_____
and
_____

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THIS AGREEMENT ("OBA" or "Agreement") made and entered into by and between
_____ ("_____"),a _____ with offices at
_____ and _____ ("_____"),a_____
with offices at _____ (collectively the "Parties" or individually as "Party"), this ____ day
of _____, _____ ~~1998.~~.

WITNESSETH

WHEREAS, the facilities operated or to be operated by _____ and
_____ ~~interconnect~~ at a location(s)~~point or locations~~points specified in the Exhibit 1
attached hereto and incorporated herein by this reference (hereinafter referred to as
"~~Interconnect~~ Location~~Point~~," whether one or more); and

WHEREAS, _____ and/or _____ (at times hereinafter referred to as
the "Parties" or individually as a "Party") have entered into one or more agreements with third
party Service Requester~~shippers~~ (hereinafter referred to as "Service Requesters~~Shipper~~" or
"Service Requester~~Shippers~~") for the transportation of gas to or from the ~~Interconnect~~
Location~~Point~~ on their respective systems (said agreements hereinafter referred to as "Service
Requester~~Shipper~~ Agreements"); and

WHEREAS, from time to time, the quantities of gas confirmed ~~by _____~~ and
scheduled by the parties~~_____~~ to be delivered to or received from the ~~Interconnect~~
Location~~Point~~ (said quantities hereinafter referred to as the "Scheduled Quantities") may be
greater or lesser than the quantities of gas which are actually delivered at the ~~Interconnect~~
Location~~Point~~, resulting in ~~inadvertent~~ over-or under-deliveries relative to Scheduled
Quantities; and

WHEREAS, the Parties desire to implement an operational balancing agreement in
order to facilitate more efficient operations, accounting, and systems management at the
Location~~Interconnect Point~~ and on the Parties' respective systems.

[Additional WHEREAS clauses as necessary]

NOW, THEREFORE, in consideration of the premises and mutual covenants contained
herein, the Parties agree as follows:

1.   Prior to the ~~effective~~ date and time of flow at each Location, the Parties shall
      confirm and schedule nominations which will be delivered or received at each
      Location. ~~of Shipper nominations at each Interconnect Point, the Parties shall~~

50   _____¹ nominations received by each Party from Shippers for whom the Parties will be delivering or receiving gas at that point. Such
52   _____² between the Parties shall be made _____,³ unless otherwise mutually agreed to by the Parties.

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2.   The Parties intend that the quantityvolume of gas actually delivered and
56   received each day at each LocationInterconnect Point will equal the Scheduled Quantities for that locationpoint. Each Party will allocate quantitiesvolumes
58   which have beenare to be delivered and received at each LocationInterconnect Point among the Service RequesterShipper Agreements on its system pursuant
60   to the Scheduled Quantitiesquantities scheduled at such locationspoints. Any Operational Imbalance created, when the actual physical flow is different than
62   the Scheduled Quantities (on a monthly basis), will be the "Operational Imbalance," which will be the responsibility of the Parties to eliminate pursuant
64   to this Agreement.

66   3.   [OPTIONAL PROVISION: [Parties may eEstablish a a maximum Operational Imbalance and procedures for immediate or accelerated resolution if such
68   maximum is reached.]maximum cumulative Operational Imbalance and procedures for immediate or accelerated resolution if maximum reached.]

70

34.   Estimated operating quantities flowing at each LocationInterconnect Point shall
72   be used _____⁴ during any current periodmonth to determine the estimated ^Operational Imbalance at such LocationInterconnect
74   Point, with physical flow adjustments to be made during that current periodmonth as mutually agreed to by both Parties to attempt to maintain or
76   achieve an Operational Imbalance of zero at such point; provided, however,
            _____.⁵

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45.   a. The actual measured quantity of gas at the LocationInterconnection Point
80   each month shall be determined and communicated by the measuring Party

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1   Possible inserts include but are not limited to, for example: "reconcile and confirm", "discuss", or "verify".

2   Possible inserts include but are not limited to, for example: "reconciliation and confirmation", "discussion", or "verification".See footnote 1.

3   Possible inserts include but are not limited to, for example "verbally", "verbally with subsequent confirmation in writing", "in writing" or "electronically".

4   Possible inserts include but are not limited to, for example: "on a daily basis" or it may be left blank.

5   Possible inserts include but are not limited to, for example: whatever the parties agree upon for rescheduling during the periodmonth.

("Measurement Party") by facsimile, electronic interface system or in writing to the other Party in accordance with GISB Standard 2.3.7. The actual measured quantity shall be determined pursuant to the applicable provisions of the Measurement Party's Tariff or applicable measurement procedures. Operational Imbalances shall be calculated initially by Measurement Party and shall be agreed to _____ [6]in writing by the Parties prior to the _____ day of such periodmonth.

    b. Operational imbalances shall be resolved as follows:

_____
    .[7]

56. In the event that a capacity constraint occurs on either Party's system which results in curtailment of quantities through anLocationInterconnect Point,
_____
  _[8]

7. The primary term of this agreement shall be from the effective date until _____ _____ and month to month thereafter unless cancelled upon _____ written notice.

678. This Agreement is entered into in order to facilitate operations and accounting between the Parties, and shall have no effect upon the Service RequesterShipper Agreements or upon the effectiveness of any Party's FERC Gas Tariff or General Terms and Conditions.[9]

789. [Each party agrees to Establish a procedure by which locations are added to or deleted from this Agreement or Exhibit 1.] immediately notify the other party

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[6]   Possible inserts include but are not limited to, for example "verbally", "verbally with subsequent confirmation in writing", "in writing" or "electronically"..

[7]   Possible inserts include but are not limited to, for example: procedures for in-kind balancing, procedures for cash out, procedures for a combination of the two, some other mutually agreed procedure, or ais provided by regulatory or contractual provisions. or mutual agreement.

[8]   Possible inserts include but are not limited to, for example "the Party on whose system the constraint has occurred shall determine the confirmation of quantities to the Service Requester(s)Shippers under the affected Service RequesterShipper Agreements. Such change in Scheduled Quantities shall be confirmed _____ [see Footnote 3]in writing as required by Paragraph 1 above. If the constraint occurs at the LocationInterconnect Point, the operator of the Locationdownstream Party shall determine the confirmation of quantities to the Service Requester(s)Shippers under the affected Service RequesterShipper Agreements, unless otherwise mutually agreed".

[9]   This paragraph may be deleted if the Agreement is contained within the Party's Gas Tariff or General Terms and Conditions.

112 upon temporary or permanent cessation of gas flow into the other party at an Interconnect Point or upon acquisition of a new Interconnect Point, and the Parties agree to timely amend this Agreement to delete or add such
114 Interconnect Points as may be appropriate, by revising Exhibit 1 hereto.

116 10. Any new Interconnect Points between _____ and _____ shall be added to this Agreement prior to the commencement of any gas flow, or shall
118 otherwise be deemed to have been added to this Agreement upon any gas flow.

120 8911. Notwithstanding the termination of this Agreement, the Parties agree to reconcile and eliminate any remaining Operational Imbalance pursuant to the
122 terms and conditions of this Agreement within _____ of termination of this Agreement or such other period of time which is mutually agreed to by
124 the Parties.

126 91012. This Agreement and the terms and conditions herein are subject to all present and future valid laws, orders, rules and regulations of duly constituted
128 authorities having jurisdiction.

130 101113. In the event a conflict exists or arises between this Agreement and Parties' FERC Gas Tariff or General Terms and Conditions, as amended from
132 time to time, it is agreed and understood that the latter shall control.

134 111214. This Agreement is for accounting and system management purposes only, and is entered into by the Parties with the understanding that the
136 balancing activities provided for hereunder will not subject any non-jurisdictional entity to regulation by the Federal Energy Regulatory Commission as a "natural
138 gas Company" under the provisions of the Natural Gas Act. If, at any time, it should be determined that such balancing activities do result in such regulation,
140 then this Agreement shall immediately terminate, and any remaining Operational Imbalance shall be resolved by the Parties within _____ after
142 termination of this Agreement.

144 121315. Any entity which shall succeed by purchase, merger or consolidation to the properties, substantially as an entity, of either Party, shall be subject to the
146 obligations of its predecessor to this Agreement. No other assignment of this Agreement or of any of the rights or obligations hereunder shall be made.
148
131416. AS TO ALL MATTERS OF CONSTRUCTION AND INTERPRETATION,
150 THIS AGREEMENT SHALL BE INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF _____.
152
141517. Any notice, request, or statement provided pursuant to this Agreement
154 shall be in writing and shall be considered as having been given, if delivered personally, when delivered, or, if either electronically communicated, mailed .by
156 United States mail, postage prepaid, sent by express mail, or overnight delivery, or if telecopied to the other Party, then, when sent, to the following:
158

_____
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160   _____

                                          _____

162   _____

                                          _____

164   _____

                                          _____

166   _____

168   Changes to the above addresses shall be effectuated by a Party notifying the other Party in writing of the modification.

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        15~~1618~~. A waiver by either Party of any one or more defaults by the other Party
172   hereunder shall not operate as a waiver of any future default or defaults, whether of like or different character.

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        16~~17~~. [Additional provisions as necessary][10]

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        17~~18~~. The Effective Date of this Agreement shall be _____, ___, _____.

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        18~~19~~. The primary term of this agreement shall be from the Effective Date until
180   _____ and month to month thereafter unless cancelled upon _____ written notice or by other provisions herein.

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[10] [add optional merger clause language]

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IN WITNESS WHEREOF, the Parties hereto have executed duplicate originals of this
186   Agreement on the date set forth hereinabove.

188

_____   _____

By: _____   By:_____

Printed Name: Printed Name:_____
_____

    Title:_____

Title: _____

Date:_____   Date:_____

190

EXHIBIT 1

192

To the Operational Balancing Agreement
194   Between

_____
196   and

_____
198   Dated _____

200

LocationInterconnect Point(s)
202

between _____and_____
204

206

Party Name[11]	D-U-N-S Number	Proprietary Gas Transaction Point Code.	DRN No.	Description

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212 [Add any instructions or further provisions, if necessary].

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11   The party column should include entries for each interconnected party, for example:. 'party 1' and
        'party 2'.