

Paiute Pipeline Company  
FERC Gas Tariff  
Fourth Revised Volume No. 1-A

Sheet No. 265  
Version 0.0.0

PAIUTE PIPELINE COMPANY

FERC NGA Gas Tariff

Paiute Pipeline Company's Fourth Revised Volume No. 1-A

Effective Date: July 31, 2013

F40: Non-Conforming Service Agreement with  
Wasatch Energy, LLC

Option Code: A

Issued On: July 31, 2013

Effective On: July 31, 2013

**TRANSPORTATION SERVICE AGREEMENT**

This is an AGREEMENT made and entered into as of the 1<sup>ST</sup> day of March, 2006, by and between PAIUTE PIPELINE COMPANY, a Nevada corporation, herein called "Paiute," and WASATCH ENERGY, LLC, herein called "Shipper".

**WITNESSETH:**

WHEREAS, Paiute posted notice on its Internet web site that certain firm transportation capacity on Paiute's system was available to be sold by means of a competitive bidding process; and

WHEREAS, Shipper submitted a bid for the available capacity which Paiute has determined to accept.

In consideration of the mutual covenants and agreements as herein set forth, Paiute and Shipper agree as follows:

**ARTICLE I - GAS TO BE TRANSPORTED**

Subject to the terms, conditions and limitations hereof, Paiute agrees to receive from Shipper, or for Shipper's account, at the Receipt Point(s) specified herein, up to the following quantities of natural gas, as applicable, which shall constitute Shipper's Reserved Capacities:

Daily Reserved Capacity: 582 Dth  
Summer Daily Reserved Capacity: 429 Dth

Paiute agrees to transport and deliver the equivalent quantity less Gas Used by Paiute to Shipper or for the account of Shipper at the Delivery Point(s) specified herein. Paiute shall not be obligated to receive and/or transport quantities of gas in excess of the applicable Reserved Capacities.

**ARTICLE II - RECEIPT POINTS, DELIVERY POINTS, PRESSURES AND QUANTITIES**

Receipt of natural gas by Paiute from Shipper shall be at or near the points whose names and Maximum Daily Quantities for the applicable period are as follows:

<u>Receipt Point(s)</u>	<u>Period</u>	<u>Maximum Daily Quantities (Dth)</u>
Owyhee	Winter	582
Owyhee	Summer	429

Delivery of natural gas by Paiute to Shipper shall be at or near the points whose locations, Delivery Pressures, Assumed Atmospheric Pressures, and Maximum Daily Quantities are described on Exhibit A, attached hereto.

**ARTICLE III - APPLICABLE TRANSPORTATION RATES AND RATE SCHEDULE**

Shipper agrees to pay Paiute for all natural gas transportation service rendered under the terms of this Agreement in accordance with Paiute's Rate Schedule FT-1, as filed with the Federal Energy Regulatory Commission, and as amended or superseded from time to time. This Agreement shall be subject to the provisions of such rate schedule and the General Terms and Conditions applicable thereto on file with the Federal Energy Regulatory Commission and effective from time to time, which by this reference are incorporated herein and made a part hereof.

**ARTICLE IV - TERM OF AGREEMENT**

This Agreement shall become effective on March 1, 2006, and shall continue in effect for a period extending for a primary term to and including March 31, 2009, and from year to year thereafter, subject however, to termination at expiration of the said primary term or upon any anniversary thereafter by either party hereto through written notice so stating and given to the other no less than twelve (12) months in advance.

**ARTICLE V - NOTICES**

Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered personally, or by mail or facsimile with all postage and charges prepaid, to either Shipper or Paiute at the place designated. Routine communications shall be considered as duly delivered when mailed by ordinary mail. Normal operating instructions can be made by telephone. Unless changed, the addresses of the parties are as follows:

Paiute Pipeline Company  
P.O. Box 94197  
Las Vegas, Nevada 89193-4197

Wasatch Energy, LLC  
1010 North 500 East, Suite 200  
North Salt Lake, Utah 84054

Either party may change its address at any time upon written notice to the other.

**ARTICLE VI - OTHER OPERATING PROVISIONS**

The transportation service contemplated herein shall be provided by Paiute in accordance with Subpart G of Part 284 of the Federal Energy Regulatory Commission's Regulations.

**ARTICLE VII - ADJUSTMENTS TO GENERAL TERMS AND CONDITIONS**

Certain of the General Terms and Conditions applicable to Paiute's transportation rate schedule are to be adjusted for the purpose of this Agreement, as specified below:

NONE

**ARTICLE VIII - CANCELLATION OF PRIOR AGREEMENT(S)**

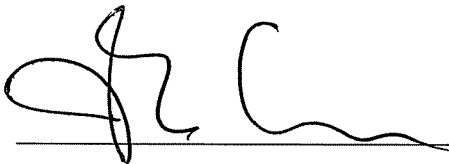
When this Agreement takes effect, it supersedes, cancels and terminates the following agreement(s):

NONE

**ARTICLE IX - SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. No assignment or transfer by either party hereunder shall be made without written approval of the other party. Such approval shall not be unreasonably withheld. As between the parties hereto, such assignment shall become effective on the first (1st) day of the month following written notice that such assignment has been effectuated.

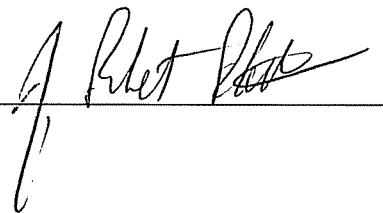
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above set forth.

Attest: 

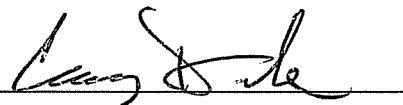
PAIUTE PIPELINE COMPANY  
"Paiute"

By: 

Title: Vice President/General Manager

Attest: 

WASATCH ENERGY, LLC  
"Shipper"

By: 

Title: Manager

EXHIBIT A  
to  
Transportation Service Agreement No. F40  
Dated March 1, 2006  
Between Paiute Pipeline Company  
and  
Wasatch Energy, LLC

<u>Delivery Point(s)</u>	<u>Delivery Pressure (Not More Than Psig)</u>	<u>Assumed Atmospheric Pressure (Psia)</u>	<u>Maximum Daily Quantities (Dth)</u>
Eagle-Picher No. 1 NE/4, Section 35 T20N, R22E Washoe County, Nevada	24	12.58	582