



KANSAS PIPELINE OPERATING COMPANY
8325 LENEXA DRIVE / SUITE 400
LENEXA, KANSAS 66214
913 888-7139 • FAX: 913 599-2573

April 26, 1999

Mr. Michael J. Langston
Vice-President, Gas Supply
Missouri Gas Energy, a division of
Southern Union Gas Company
504 Lavaca, Suite 900
Austin, TX 78701

Dear Mike:

Enclosed is a copy of Amendment III To The Amended And Restated Agreement Of Lease And Amended And Restated Operating Agreement (Amendment III).

Please note that the following operational modifications are now effective:

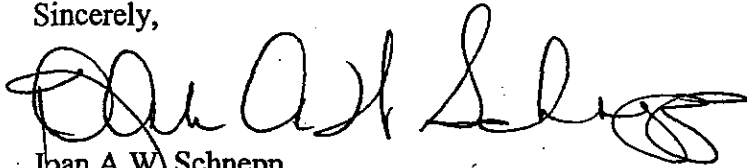
- 1) Receipt Point Percentages and Line Segment Requirements provided for are now: 50% of daily gas volumes delivered are to be sourced on Lines 7, 8 and 32; and at least 25% (total of 75%) may be sourced on Lines 7, 8, 23, 24 and/or 32;
- 2) Receipt Points available for gas supply sourcing, and their respective line segments, are listed beginning on Page 8 of the Amendment; and
- 3) The Transok portion of the fuel rate is now 1.25%.

The provisions of this Amendment, as incorporated into the Lease, are effective immediately. Receipt Points listed in the existing Exhibit "E" of the Lease will continue to be accepted for nomination purposes through May 31, 1999. Receipt points for nominations beginning June 1, 1999, will be governed by Amendment III.

Mr. Michael J. Langston
April 26, 1999
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If you have any questions about Amendment III, please feel free to call me. I will be happy to discuss the changes with you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joan A.W. Schnepf". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Joan A.W. Schnepf
Vice President, Operations

c/ Donna Hadley

**AMENDMENT III
TO THE
AMENDED AND RESTATED AGREEMENT OF LEASE AND
AMENDED AND RESTATED OPERATING AGREEMENT**

THIS Amendatory Agreement is made and entered into this 1st day of April, 1999, by and among TRANSOK, LLC, a Delaware limited liability company, hereinafter referred to as "TRANSOK," and KANSAS PIPELINE COMPANY, a Kansas General Partnership, hereinafter referred to as "KPC."

WHEREAS, on April 24, 1992, TRANSOK, Inc. and KansOk Partnership entered into a certain Amended and Restated Agreement of Lease and Amended and Restated Operating Agreement (the "Lease");

WHEREAS, on June 24, 1998, KansOk Partnership assigned the Lease to KPC, to be effective May 11, 1998;

WHEREAS, TRANSOK, Inc. was merged into TRANSOK on February 1, 1998;

WHEREAS, by Order issued October 3, 1997, the Federal Energy Regulatory Commission ("FERC") issued to TRANSOK a limited jurisdiction certificate under Section 7(c) of the Natural Gas Act to operate the capacity leased to KPC under the Lease; and

WHEREAS, TRANSOK and KPC desire to clarify, reclassify and otherwise amend the Lease for continued operation by both parties under FERC jurisdiction.

NOW, THEREFORE, for and in consideration of mutual covenants herein contained, TRANSOK and KPC agree to the following amendments:

1. All references to "KANSOK PARTNERSHIP" and "KOK" shall be deleted and replaced with "KANSAS PIPELINE COMPANY" and "KPC." All references to "TRANSOK, INC.," shall be deleted and replaced with "TRANSOK, LLC"
2. The recital section of the Lease shall be deleted in its entirety and replaced with the following new recital section:

WITNESSETH:

WHEREAS, KPC is qualified to conduct business in the State of Oklahoma as an interstate natural gas pipeline company;

WHEREAS, TRANSOK owns and operates an extensive intrastate pipeline system in the State of Oklahoma;

WHEREAS, TRANSOK also has leased capacity on the R-900 line of Oklahoma Natural Gas Transmission Company, which capacity may also be considered as part of TRANSOK's intrastate pipeline system;

WHEREAS, KPC desires to lease capacity in TRANSOK's Oklahoma intrastate pipeline system for the purpose of providing certain gas transportation and other transportation authorized pursuant to the Natural Gas Act and orders of the Federal Energy Regulatory Commission (FERC);

WHEREAS, TRANSOK is willing to lease a portion of its capacity in its intrastate pipeline system to KPC pursuant to a limited jurisdiction certificate issued under Section 7(c) of the NGA;

WHEREAS, TRANSOK is willing to operate and maintain the capacity leased in the intrastate pipeline system for KPC on the terms contained herein;

WHEREAS, the Parties have negotiated in good faith to more clearly define each Party's responsibilities and improve the Operations provided for by the Lease; and

WHEREAS, TRANSOK and KPC desire to amend and restate the Agreement of Lease and Operating Agreement, between the parties, both originally dated September 13, 1990.

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

3. Section 1.3 shall be deleted in its entirety and replaced with the following new Section 1.3:

1.3 KPC agrees to make gas volumes available to TRANSOK for receipt by TRANSOK at the Receipt Point(s) in the following manner:

- (i) At least seventy-five percent (75%) of the daily gas volumes nominated at any delivery point (the Primary Delivery Point and any Secondary Delivery Points) on Lines 7, 8 and 32, shall be delivered by KOK to the Receipt Point(s) on Lines 7, 8, 23, 24, and 32, as specified in Exhibit "E," provided that at least fifty percent (50%) of that amount shall be delivered by KOK to the Receipt Point(s) on Lines 7, 8 and 32, as specified in Exhibit "E," and shall not include Seasonal Exchange. Any remaining gas volumes may be delivered by KOK to any other Receipt Point specified in Exhibit "E."

Subject to KPC's imbalance rights contained in Article 3 of Exhibit "A," if KPC fails to deliver gas volumes to the Receipt Point(s) in the manner provided in this Section, then TRANSOK's obligation to deliver gas volumes to the Primary Delivery Point

and any Secondary Delivery Points on Lines 7, 8 and 32, shall be reduced by a percentage equal to the difference between KPC's percentage obligation as specified hereinabove and the percentage actually received at such Receipt Points.

4. The last sentence of Section 2.2 shall be deleted in its entirety and replaced with the following two new sentences:

^{UNILATERAL} KPC shall have the right to extend the term of this Agreement to October 31, 2011 by so notifying TRANSOK at least six (6) months prior to October 31, 2009. KPC shall have the additional right to extend the term of the Agreement to October 31, 2015, subject to the mutual agreement of the parties as to the lease payments and Seasonal Exchange Fee hereunder.

5. In Section 2.3, the words "or TRANSOK's corporate relationship to Central and South West Corporation, or SEC approval under the Public Utility Holding Company Act of 1935" shall be deleted.

6. Section 4.1 shall be deleted in its entirety and replaced with the following new Section 4.1:

4.1 KPC agrees to pay TRANSOK for the lease of pipeline capacity based on the minimum yearly lease obligation provided in Exhibit D attached hereto, as hereinafter set out:

- (a) The monthly pipeline capacity lease payment shall be calculated as 9% of the minimum yearly lease obligation during January; 11% of the minimum yearly lease obligation during February and March; 9.5% of the minimum yearly lease obligation during April; 8.5% of the minimum yearly lease obligation during May; 6.25% of the minimum yearly lease obligation during June, July, August and September of each year; 8% of the minimum yearly lease obligation during October and November; and, 10% of the minimum yearly lease obligation during December. In the event the Seasonal Exchange is suspended, as provided in Section 4.3, then beginning with the next yearly period (November 1 through October 31) and continuing as long as the suspension continues, the monthly leased capacity payment shall be calculated as 10.5% of the minimum yearly lease obligation during December, January, February and March of each year; 10% of the minimum yearly lease obligation during November; 9.5% of the minimum yearly lease obligation during April; 8% of the minimum yearly lease obligation during May; 6.5% of the minimum yearly lease obligation during October; and, 6% of the minimum yearly lease obligation during June, July, August and September of each year.

(b) Monthly lease payments shall be adjusted upward each month by the amount derived by the following calculation when such calculation results in a positive number:

(i) the charge applicable to each Receipt Point during the month as specified on Exhibit "E" hereto multiplied by the volume allocated to each Receipt Point in accordance with the following allocation procedure:

1. If volumes are delivered by TRANSOK at only the Primary Delivery Point, volumes shall first be allocated to that Receipt Point (where volumes were received) having the lowest rate, as set forth on Exhibit "E," Section 1, until all volumes received at that Receipt Point have been accounted for, then to the Receipt Point (where volumes are received) having the next lowest rate until all volumes received at that Receipt Point have been accounted for, and so on, until all volumes delivered at the Primary Delivery Point shall have been allocated to Receipt Points.
2. If volumes are delivered by TRANSOK at only the Secondary Delivery Point(s), volumes shall be allocated to Receipt Points in the same manner as specified in subparagraph 1 above, except that rates shall be determined in accordance with Exhibit "E," Section 2.
3. If volumes are delivered by TRANSOK to the Primary Delivery Point and one or more secondary Delivery Points, volumes delivered to the Primary Delivery Point shall first be allocated in accordance with subparagraph 1 above, and, thereafter, volumes delivered to the Secondary Delivery Point(s) shall be allocated in accordance with subparagraph 2 above.
4. Any Receipt Point Volumes remaining (i.e., Receipt Point Volumes in excess of Delivery Point volumes) shall be accounted for as a Positive Imbalance. If volumes received at the Receipt Points are less volumes delivered to the Delivery Points, then such unallocated Receipt Point Volumes shall be charged the highest rate which could have been imposed pursuant to Exhibit "E" for the applicable Delivery Point.

5. For gas volumes delivered to the Seasonal Exchange, KPC shall be charged the pipeline capacity charge applicable to the Receipt Points, contained in Exhibit "E," Section 1, from which the gas was nominated to the Seasonal Exchange, pursuant to Section 4.2(b). No adjustment under Section 4.1(b) shall be made with respect to gas volumes which are nominated and delivered from the Seasonal Exchange, but any fuel charges otherwise imposed under Article 4 of Exhibit "A," shall be charged.

(ii) the respective monthly lease payment set forth in subsection 4.1(a) above shall be subtracted from the amount calculated in accordance with subsection 4.1(b) above.

7. Section 4.2(c) shall be deleted in its entirety and replaced with the following new Section 4.2(c):

(c) Each payment to TRANSOK due hereunder shall be by wire transfer to Chase Manhattan Bank N.A., New York, New York, ABA Number 021000021, Account Number 3230-69991.

8. Subparagraph (c) of Section 5.3 shall be deleted in its entirety and replaced with the following new Subparagraph (c):

(c) KPC's nomination for such capacity at the Secondary Delivery Points was made prior to TRANSOK's initial nomination deadline schedule for the following month, as set forth in its current Statement of Conditions for Transportation as filed with FERC.

9. The first sentence of Article 2, Paragraph A of Exhibit "A" shall be deleted and replaced with the following language: "KPC shall provide TRANSOK's Volume Control Group nominations for receipt and delivery of gas each month, on or before TRANSOK's nomination deadline schedule, as set forth in its current Statement of Conditions for Gas Transportation as approved by the appropriate regulatory authority, as such Statement of Conditions may be amended from time to time."

10. Article 3, Sections B, C and D of Exhibit "A" shall be deleted in their entirety and replaced with the following:

B. KPC is entitled to deliver into the pipeline capacity at the Receipt Points more than it receives at the Delivery Points (hereinafter "Positive Imbalance") or deliver into the

pipeline capacity at the Receipt Points less than it receives at the Delivery Points (hereinafter "Negative Imbalance") on a cumulative basis subject to the following:

- (i) During the Winter Period (as defined in Paragraph 1.3 of the Lease Agreement), KPC shall not exceed a cumulative imbalance of 150,000 MMBtu; and
- (ii) During the Summer Period (as defined in Paragraph 1.3 of the Lease Agreement), KPC shall not exceed a cumulative imbalance of 75,000 MMBtu.

C. Notwithstanding the above cumulative imbalance limits, KPC shall limit its deliveries to the Receipt Points and its receipts at the Delivery Points such that the daily receipts less the daily deliveries does not exceed a positive or negative 5,000 MMBtu's. Additionally, KPC may limit its deliveries to the Receipt Points and its receipts at the Delivery Points such that on one (1) day in every month the daily receipts less the daily deliveries does not exceed a positive or negative 7,500 MMBtu's. TRANSOK shall have no obligation to receive or deliver Imbalance Gas in excess of 5,000 MMBtu's on any day; provided, however, notwithstanding the foregoing limitation, if requested by KPC, TRANSOK shall be obligated to receive or deliver up to 7,500 MMBtu's on one day, as designated by KPC, during each calendar month.

- (i) KPC shall limit its deliveries to the Receipt Points and its receipts at the Delivery Points such that at the end of each month its imbalance, including positive or negative imbalances from previous months, is within five percent (5%) of the volumes delivered for KPC, less fuel, during each month.

D. Upon notification by TRANSOK to KPC that KPC has exceeded the tolerances stated herein, KPC shall immediately notify the appropriate KPC Shipper(s). KPC's Shipper(s) will provide immediate notification to KPC of the actions to be taken to correct the situation. If the KPC Shipper(s) do not take such actions promptly, KPC will (i) provide to TRANSOK said Shipper(s) then effective Receipt Points and TRANSOK will direct KPC's actions for reduction of Receipts and/or (ii) notify TRANSOK of appropriate reductions of Deliveries at the Delivery Point(s), so that imbalances are brought back into tolerance. If KPC fails to promptly provide TRANSOK the information described herein, TRANSOK may take actions to reduce Receipts and/or Deliveries based upon the information in its possession in order to bring imbalances back into tolerance.

11. Article 4, Paragraph A of Exhibit "A" shall be deleted in its entirety and replaced with the following language:

A. KPC shall deliver to TRANSOK (in addition to the volumes being redelivered to KPC at the Delivery Point(s) under the Agreement) volumes of gas for fuel use, loss and unaccounted for gas (fuel charge) equal to one and one-quarter percent (1 ¼%) of the total MMBtu's of gas being delivered to the pipeline capacity Delivery Point(s) as a fuel charge for volumes received at Receipt Points listed on Exhibit "E" and one and one-half percent (1 ½%) of the total MMBtu's of gas incurred as a Seasonal Exchange.

B. From October 1, 2002, until the termination of this Agreement, the fuel charge for TRANSOK's transmission line shall be amended to equal the actual fuel consumed on such portion of the pipeline, but the Seasonal Exchange fuel charge will remain the same as in subparagraph A above. The pipeline capacity shall not be reduced by such fuel charges; i.e., TRANSOK shall deliver the pipeline capacity (in MMBtu's) to the Delivery Points and KPC shall make available for receipt by TRANSOK at the Receipt Points the pipeline capacity (in MMBtu's) plus the fuel charge. If TRANSOK adds additional compression to its system in the future, the fuel charge shall be increased upon mutual agreement of the parties if the compression aids deliveries to KPC.

12. Article 10, Paragraph C of Exhibit "A" shall be deleted in its entirety and replaced with:

C. TRANSOK agrees that it shall deliver the gas hereunder at a minimum pressure of 475 psig at the meter run at the Primary Delivery Point. However, TRANSOK is allowed to deliver the entire nominated quantity of gas at the Primary Delivery Point at a pressure less than 475 psig for up to 15 days (no more than 3 days consecutively) each year if it maintains a minimum pressure of 425 psig at the meter run of the Primary Delivery Point.

13. In Article 11, Paragraph B of Exhibit "A," the last sentence shall be deleted in its entirety and replaced with: "For all measurement of gas required in this Section, the BTU content per cubic foot shall be determined for a cubic foot of gas at a temperature of sixty degrees (60°) Fahrenheit, at an absolute pressure of fourteen and seventh-three hundredths (14.73) pounds per square inch on a dry basis."

14. In Article 13, Paragraph A of Exhibit "A," the words "fourteen and sixty-five hundredths (14.65) pounds per square inch" shall be deleted and replaced with "fourteen and seventy-three hundredths (14.73) pounds per square inch."

15. Article 13, Paragraph D of Exhibit "A" shall be deleted in its entirety and replaced with the following language:

D. Shall for all lines, unless otherwise mutually agreed to in writing, not contain in excess of:

- (i) One percent (1%) by volume of carbon dioxide.
- (ii) One one-hundredth percent (0.01%) = (100 parts per million) by volume of oxygen.
- (iii) Two percent (2%) by volume of nitrogen.

16. Article 13, Paragraph E of Exhibit "A" shall be deleted in its entirety.

17. In Article 13, Paragraph F of Exhibit "A," the words "fourteen and sixty-five hundredths (14.65) pounds per square inch" shall be deleted and replaced with "fourteen and seventh-three hundredths (14.73) pounds per square inch."

18. Exhibit "E" of the Amended and Restated Agreement of Lease and Amended and Restated Operating Agreement shall be deleted in its entirety and replaced with the following:

Exhibit "E"

1. Primary Delivery Point.

Quantities of gas delivered to the Primary Delivery Point any month during the Winter Period (November through April) equaling 50,000 MMBtu's multiplied by the number of days in the month, or less, and Summer Period (May through October) equaling 20,000 MMBtu's multiplied by the number of days in the month, or less, shall, for purposes of Section 4.1(b), be charged at the rates listed in the "Quantities Up To Minimum" column below. Monthly quantities delivered to the Primary Delivery Point during the Winter and Summer periods in excess of the above minimum stated MMBtu shall be charged at the rates per MMBtu as listed below in the "Quantities In Excess of Minimum" column.

Meter #	Meter Name	Line Segment	For Deliveries to Primary Delivery Point	
			Quantities Up To Minimum	Quantities In Excess of Minimum
000186	Chitwood	3	\$ 0.10	\$ 0.06
004121	Spring Valley	7	0.08	0.04
004411	Amoco Red Oak	23	0.10	0.05
004416	Amoco to Line 23	23	0.10	0.05
004420	Amoco Panola	23	0.10	0.05
004441	Enogex-McCurtain	R-900	0.10	0.05

004450	NorAm-Latimer (by displacement only)	23	0.10	0.05
004542	TOK-West Caddo	14	0.10	0.06
010221	Enogex-Red Oak	23	0.10	0.05
010235	Williams-Perry	7	0.08	0.04
010379	Okarche	8 &/or 32	0.065	0.04
010385	TOK/Limestone	23	0.10	0.05
010394	Enogex-Panther Mt.	23	0.10	0.05
010399	NorAm-AC (by displacement only)	23	0.10	0.05
010634	TOK/Anadarko	25	0.10	0.06
010646	Ozark (by displacement only)	23	0.10	0.05
010673	TOK/NAGS	17	0.10	0.06
010701	Cyril	14	0.10	0.06
010749	TOK/East Caddo	14	0.10	0.06
010854	Enogex Noble	1	0.10	0.06
011095	Kingfisher	32	0.08	0.04
011120	Chaney Dell	7	0.08	0.04
011185	Rodman	7	0.08	0.04

2. Secondary Delivery Points.

Quantities of gas delivered to the Secondary Delivery Points which, when added to the quantities of gas delivered to the Primary Delivery Point, any month during the Winter Period (November through April) equal 50,000 MMBtu's multiplied by the number of days in the month, or less, and any month during the Summer Period (May through October) equal 20,000 MMBtu's multiplied by the number of days in the month, or less, shall, for purposes of Section 4.1(b), be charged a per MMBtu rate which is the higher of (i) a rate which is One Cent (\$0.01) higher than the lowest rate being paid by any customer/shipper/transporter to TRANSOK for deliveries at Such Secondary Delivery Point, or a comparable delivery point

if no such deliveries are being made at such Secondary Delivery Point, provided such customer/shipper/transporter is delivering from comparable receipt points for delivery to the same or comparable delivery points and the duration of the nomination is the same as or similar to KPC's nomination, or (ii) the applicable rate listed in the "Quantities Up To Minimum" column in Section 1 above. Quantities delivered to the Secondary Delivery Points in excess of the minimum stated MMBtu's (which includes quantities delivered to both the Primary and Secondary Delivery Points) shall, with respect to each Secondary Delivery Point, be charged at a per MMBtu rate which is the lower of (i) a negotiated rate agreed to by the parties, if any, or (ii) the rate determined in accordance with item "(i)" in the preceding sentence.

19. The language contained on Exhibit "F" shall be deleted in its entirety and replaced with the following:

The Receipt Point(s) shall be those points listed under the column heading of "Meter Name" on Exhibit "E" hereto.

20. All terms and conditions of the Amended and Restated Agreement of Lease and Amended and Restated Operating Agreement shall remain in full force and effect, except as amended herein.

LESSEE:

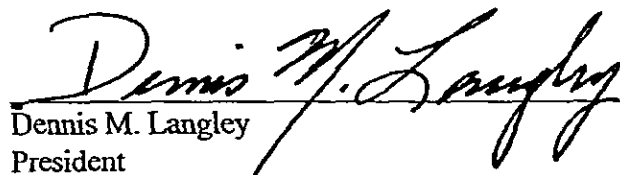
Kansas Pipeline Company

By: Synergy Pipeline Company, L.P.,
Managing General Partner

By: Bishop Pipeline Company,
Managing General Partner of
Synergy Pipeline Company, L.P.

ATTEST:


Assistant Secretary


Dennis M. Langley
President

LESSOR:
TRANSOK, LLC

ATTEST:



Name:

Name: ROBERT R. FIRTH

Title:

Title: VICE PRESIDENT

JFK

map

MGE
48.77%

AMENDED AND RESTATED AGREEMENT OF LEASE
AND
AMENDED AND RESTATED OPERATING AGREEMENT

This AMENDED AND RESTATED AGREEMENT OF LEASE including as an Exhibit "A" an Amended and Restated Operating Agreement (Agreement) is made and entered into this 24 day of April, 1992, by and between TRANSOK, INC., the lessor, an Oklahoma corporation, (TRANSOK), and KANSOK PARTNERSHIP, the lessee, a Kansas general partnership, (KOK), and amends and restates the Agreement of Lease between TRANSOK and KOK dated September 13, 1990, and the Operating Agreement between TRANSOK and KOK dated September 13, 1990.

W I T N E S S E T H:

WHEREAS, KOK is qualified to conduct business in the State of Oklahoma as an intrastate natural gas pipeline company; and

WHEREAS, TRANSOK owns and operates an extensive intrastate pipeline system in the State of Oklahoma; and

WHEREAS, TRANSOK also has leased capacity on the R-900 line of Oklahoma Natural Gas Transmission Company, which capacity may also be considered as part of TRANSOK's intrastate pipeline system; and

WHEREAS, KOK desires to lease capacity in TRANSOK's Oklahoma intrastate pipeline system for the purpose of providing certain intrastate gas transportation and other transportation authorized pursuant to Section 311(a)(2) of the Natural Gas Policy Act of 1978 (NGPA) and the regulations of the Federal Energy Regulatory Commission (FERC) thereunder as set forth in 18 CFR Part 284 Subpart C; and

WHEREAS, KOK will perform the Section 311(a)(2) transportation on behalf of Riverside Pipeline Company, L.P., an interstate pipeline company, subject to FERC regulation; and

WHEREAS, TRANSOK is willing to lease a portion of its capacity in its intrastate pipeline system to KOK;

WHEREAS, TRANSOK is willing to operate and maintain the capacity leased in the intrastate pipeline system for KOK on the terms contained in Exhibit "A" attached hereto;

WHEREAS, TRANSOK and KOK desire to amend and restate the Agreement of Lease and Operating Agreement, between the parties, both originally dated September 13, 1990.

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

ARTICLE I
LEASED CAPACITY

1.1 TRANSOK leases to KOK a total daily capacity of Seventy Thousand (70,000) MMBtu per day for the time period of June 1, 1992, until October 31, 1992, and ninety thousand ~~(90,000)~~ MMBtu per day thereafter in TRANSOK's Oklahoma intrastate pipeline transmission system (pipeline capacity) as such system currently exists, and as it may change from time to time by the addition of facilities under Article V herein, and as is more currently specifically described on the map attached hereto as Exhibit "B." The pipeline capacity leased does not cover any facilities owned by any affiliates or subsidiaries of TRANSOK, except to the extent that the Secondary Delivery Point identified as "PEPL:Beckham" is available to KOK. The above-described pipeline capacity does not include any rights to storage, liquids resulting from processing or drip on the system or

43,893

any other rights than those specifically provided for herein.

- never affected majority in Transok obligations*
- 1.2 KOK recognizes and agrees that its right to the pipeline capacity is subject only to (1) the rights of Public Service Company of Oklahoma (PSO) on the TRANSOK system, ~~(2) the rights of one other party to whom TRANSOK has a firm obligation on the TRANSOK system, whose agreements are dated February 28, 1989, and February 1, 1990, including any amendments and replacements to such agreements that do not diminish the rights of KOK as compared to the original agreements, and~~ (3) the limitations and provisions in the Gas Pipeline Lease Agreement between TRANSOK and ONG Gas Transmission Company covering the R-900 line as designated on Exhibit "B" attached hereto. Notwithstanding anything in this Agreement to the contrary, the interruption or curtailment of the pipeline capacity leased to KOK due to the use of the facilities by the above mentioned Parties shall not be a breach of this Agreement. KOK acknowledges that it has been provided with an abstract of, or a true and correct copy of, the described ONG Agreement.

- 1.3 KOK agrees that its utilization of the pipeline capacity shall be limited as follows:

(a) During November 1 through April 30 (Winter Period) KOK shall deliver its daily gas volumes in the following manner:

- At MAX Vol 21,947*
- (i) A minimum of fifty percent (50%) of the daily gas volumes nominated at the Primary Delivery Point, KN Energy: Custer Secondary Delivery Point and any Secondary Delivery Points on Lines 7 and 8 shall be delivered to the Receipt Points on Lines 7 and/or 8, and

- At MAX Vol 15,363*
- (ii) A minimum of eighty-five percent (85%) of daily gas volumes nominated at the Primary Delivery

Point, KN Energy: Custer Secondary Delivery Point and any Secondary Delivery Points on Lines 7 and 8 shall be delivered to the Receipt Points on Lines 7, 8, 23 and/or 24, from the Seasonal Exchange;

(iii) The remaining gas volumes shall be delivered to any Receipt Points on TRANSOK's system.

traditional system only

(b) During May 1 through October 31 (Summer Period) when KOK nominates daily gas volumes of up to forty thousand (40,000) MMBtu at the Primary Delivery Point, KN Energy: Custer Secondary Delivery Point and any Secondary Delivery Points on Lines 7 and 8, it shall deliver its daily gas volumes in the following manner:

19,508

(i) A minimum of fifty percent (50%) of the daily gas volumes nominated at the Primary Delivery Point, KN Energy: Custer Secondary Delivery Point and any Secondary Delivery Points on Lines 7 and 8 shall be delivered to Receipt Points on Lines 7, 8, 23 and/or 24;

(ii) The remaining gas volumes shall be delivered to any Receipt Points on TRANSOK's system.

(c) During the Summer Period when KOK nominates daily gas volumes in excess of forty thousand (40,000) MMBtu's at the Primary Delivery Point, KN Energy: Custer Secondary Delivery Point and any Secondary Delivery Points on Lines 7 and 8, it shall deliver such excess daily gas volumes as follows:

19,508

(i) A minimum of fifty percent (50%) of the daily gas volumes nominated at the Primary Delivery Point, KN Energy: Custer Secondary Delivery Point and any Secondary Delivery Points on Lines 7 and 8 shall

be delivered at Receipt Points on Lines 7 and/or 8; and

(ii) A minimum of eighty-five percent (85%) of the daily gas volumes nominated at the Primary Delivery Point, KN Energy: Custer Secondary Delivery Point and any Secondary Delivery Points on Lines 7 and 8 shall be delivered at Receipt Points on Lines 7, 8, 23 and/or 24;

(iii) The remaining gas volumes shall be delivered to any Receipt Points on TRANSOK's position.

(d) KOK agrees to take a minimum daily volume of gas at Delivery Points on Lines 7, 8 and/or the KN Energy: Custer point as follows:

24,385 (i) ~~50,000~~ MMBtu/d during November, December, and January; and

14,631 (ii) ~~30,000~~ MMBtu/d during February, March and April; and

9,754 (iii) ~~20,000~~ MMBtu/d during the Summer Period.

Each day that KOK fails to take its daily gas volumes in the above manner, KOK shall pay TRANSOK a service fee of \$.25 per MMBtu times the difference between the volume of gas KOK was obligated to take and the volume of gas actually taken during such day. Such service fee is an obligation in addition to KOK's monthly lease payment obligations and shall be invoiced on a monthly basis.

(e) In the event TRANSOK's L-07 and L-19 are interconnected TRANSOK and KOK agree to negotiate in good faith to modify the utilization limitations herein, but the

failure to agree on any such modifications shall not otherwise affect this Agreement. *See pg 6A.*

1.4 TRANSOK and KOK agree to a seasonal exchange of gas (Seasonal Exchange) of up to two billion cubic feet (2 Bcf) on TRANSOK's pipeline system. The Seasonal Exchange may be utilized only in the following manner:

- (a) During the months of June, July and August, KOK may take at the Delivery Points less than it has delivered at the Receipt Points, but not exceeding volumes up to 22,000 MMBtu's per day.
- (b) During the months of November, December and January, KOK shall take at the Delivery Points more than it has delivered at the Receipt Points, but not exceeding 22,000 MMBtu's per day and the sum of the volumes from the previous Positive Seasonal Balance.
- (c) The Seasonal Exchange described herein by TRANSOK and KOK shall be an intrastate transaction.

ARTICLE II
EFFECTIVE DATE AND TERM

*See addl. lang
pg 6AA*

2.1 This Agreement shall become effective as of the first day of June, 1992, but for all purposes of priority hereunder (including, but not limited to, Section 1.2) be deemed to be effective September 13, 1990, and shall remain effective until October 31, 2009 (Initial Term), subject to any provisions herein providing for an earlier termination of this Agreement.

2.2 If neither Party terminates this Agreement by serving written notice of termination at least six (6) months prior to the expiration of such Initial Term, then this Agreement shall renew for an infinite number of successive one (1) year terms, with either Party hereto having the right to

1.3(f): "Subject to KOK's imbalance rights contained in Article 3 of Exhibit A, if KOK fails to deliver the volumes of gas in the manner provided in Section 1.3(a), (b) and/or (c), then Transok's obligation to deliver gas volumes to the Primary Delivery Point, KN Energy, Custer Secondary Delivery Point and any Secondary Delivery Points on Lines 7 and 8, shall be reduced by a percentage equal to the difference between KOK's percentage obligation and the percentage actually received at such Receipt Points."

6. KOK shall have the option of terminating or reducing the capacity leased under the Lease/Operating Agreement prior to the end of any term recited in the Lease/Operating Agreement any time either or both of the Base Load Contracts, defined as agreements for the sale of gas to Kansas Power and Light Company ("KP&L"), a subsidiary of Western Resources, Inc., pursuant to two contracts between KP&L and Kansas Pipeline Company, L.P., dated August 8, 1988, and Mid-Kansas Gas Gathering Co., L.P., dated January 10, 1990, as each agreement may be extended, amended, or replaced, expire and are not renewed or replaced during the term of the Lease/Operating Agreement. KOK warrants to exercise best efforts to renew or replace such Base Load Contracts. Similarly, KOK shall have the right on two (2) occasions during the term of the Lease/Operating Agreement to temporarily, partially or completely suspend its leased space capacity under the Lease/Operating Agreement and the payments due on any leased space which is partially or completely suspended thereunder, for up to two (2) calendar months on each of said occasions, if KP&L (or their assignees and/or transferees) partially or completely suspends its takes of volumes under either or both of the Base Load Contracts. Such suspension shall be effective on the first day of the month following at least fifteen (15) days notice to Transok, Inc. ("TOK") from KOK that it elects such suspension. KOK may elect to cancel the suspension and reactivate the Lease/Operating Agreement effective the first day of the first or second calendar month following the commencement of the suspension if it provides TOK at least fifteen (15) days notice of such cancellation prior to such reactivation date. Unless otherwise notified by KOK, TOK shall deem the two (2) suspension periods to run consecutively. If KOK fails to give notice to cancel the suspension as provided above, then this Lease/Operating Agreement shall terminate at the end of the period of suspension, unless TOK, in its sole discretion, agrees to extend this Lease/Operating Agreement.

terminate the Agreement by giving written notice at least six (6) months prior to the expiration of each successive extension. KOK shall have the right to extend the term of the Agreement to October 31, 2013, subject to mutual agreement of the parties as to the lease payments and Seasonal Exchange Fee hereunder.

- 2.3 If at any time the terms of this Agreement would in the reasonable opinion of TRANSOK or KOK, threaten KOK's or TRANSOK's status as intrastate pipelines, or TRANSOK's 311(a)(2) transportation service, or TRANSOK's corporate relationship to Central and South West Corporation, or SEC approval under the Public Utility Holding Company Act of 1935; then the Parties mutually agree to modify, alter or amend this Agreement in the manner which best and most completely fulfills the expressed understandings set forth in the four corners of this document and the original underlying intention of the Parties while at the same time reasonably resolving such threat(s). Only after all other reasonable options have been exhausted, then the Parties shall have the option of canceling this Agreement in order to resolve the above threats. Notwithstanding the above, TRANSOK shall not be required to modify, alter or amend this Agreement in a manner which would threaten its status as an intrastate pipeline.

ARTICLE III
USE OF LEASED PIPELINE CAPACITY

- 3.1 The leased pipeline capacity shall be used by KOK only for the rendition of intrastate and/or NGPA Section 311(a)(2) transportation and/or services, and KOK shall expressly make its transportation arrangements with its shippers subject to this condition and to Section 2.3..

ARTICLE IV
LEASE PAYMENTS

4.1 KOK agrees to pay TRANSOK for the lease of pipeline capacity as hereinafter set out:

(a) ~~KOK shall pay TRANSOK monthly minimum lease payments for each Summer Period and Winter Period, as provided in Exhibit "D" attached hereto. The lease payments for each year shall be paid monthly, with 1/6 of 75% of the lease payments for the year being paid each month of the Winter Period and 1/6 of 25% being paid each month of the Summer Period.~~

See pg 84

(b) Monthly lease payments shall be adjusted each month by the amount derived by the following calculation when such calculation results in a positive number:

(i) The charge applicable to the Receipt Point volumes during such month from the applicable category obtained from Exhibit "E" attached hereto times the total gas volumes delivered at the Primary Delivery Point (When volumes delivered to the Receipt Points exceed the deliveries at the Primary Delivery Point, the lowest rate category applicable to the nomination shall be allocated volumes first, followed by the next lowest until the entire nomination is placed in rate categories. The remaining volumes shall be charged the Category A rate and carried as a Positive Imbalance. When volumes delivered to the Receipt Points are less than the deliveries to the Primary Delivery point, then the shortfall volumes shall be charged the Category A rate.), plus all charges for volumes delivered to Secondary Delivery Points, such rates being determined by

Section 4.1(a)

"KOK shall pay Transok a monthly pipeline capacity lease payment based on the minimum yearly lease obligation provided in *Exhibit D* attached hereto.

The monthly pipeline capacity lease payment shall be calculated as $\frac{1}{3}$ of 23% of the minimum yearly lease obligation during the months of June, July and August, $\frac{1}{3}$ of 12.5% during the months of September, October and May, $\frac{1}{3}$ of 27% during the months of November, December, and January, and $\frac{1}{3}$ of 37.5% during the months of February, March and April (all such calculations rounded to the nearest increment of \$500).

In the event the Seasonal Exchange is suspended, as provided in Section 4.3, then beginning with the next yearly period (November 1 through October 31) and continuing as long as the suspension continues, the monthly leased capacity payment shall be calculated as $\frac{1}{6}$ of 75% of the minimum yearly lease payment for the Winter Period and $\frac{1}{6}$ of 25% of the minimum yearly lease payment for the Summer Period.

mutual agreement of the parties on a case by case basis; minus

(ii) the respective monthly lease payment set forth in subsection 4.1(a) above.

(iii) TRANSOK shall have the right, from time to time, to move any Receipt Point or Points on Exhibit "E" from their existing category to any other category in Exhibit "E" when such Receipt Point or Points are included in any "low pressure gathering system" on TRANSOK's pipeline system. TRANSOK shall, in its sole discretion, designate such low pressure gathering systems upon completion of the capital investment to accomplish such lower pressure and notify KOK of such Receipt Point changes. *See pg 9A*

4.2 The monthly lease payments shall be paid in two installments:

- (a) The first installment of the monthly minimum lease payment provided in Subsection 4.1, a., is due and payable on the first day of the month in which this Agreement is effective; and thereafter on the first working day of each following calendar month.
- (b) The remaining installment (for the payment due under Section 4.1(b)), if any, is due and payable seven (7) days after the posting date of the invoice sent by TRANSOK, or the 25th day of the month following use of the leased capacity, whichever is later.
- (c) Each payment to TRANSOK due hereunder shall be by wire transfer to the Bank of Oklahoma, Tulsa, Oklahoma, crediting TRANSOK's account number 206832322.

4.1(b)(iv): "For gas volumes delivered to the Seasonal Exchange, KOK shall pay the pipeline capacity charge applicable to the Receipt Points, contained in *Exhibit E*, from which the gas was nominated to the Seasonal Exchange, pursuant to Section 4.2(b). No monthly pipeline capacity charge shall be applied at the time gas volumes are nominated and delivered from the Seasonal Exchange, except to the extent of any fuel charges under Article 4 of *Exhibit A*."

4.3 KOK shall pay TRANSOK an Annual Seasonal Exchange of \$1,050,000 for the first year of the Agreement and \$860,000 a year thereafter. The payments shall be made as follows:

- (a) During the first year, KOK shall pay \$355,000 on December 26, 1992, \$355,000 on January 25, 1993, and \$345,000 on February 25, 1993.
- (b) Thereafter, and until February 25, 1995, KOK shall pay \$290,000 on each December 26 and January 25, and \$280,000 on each February 25.
- (c) The Annual Seasonal Exchange Fee shall be redetermined for each period beginning 6/1/95, 6/1/98, 6/1/2002 and 6/1/2006 (Redetermination Dates). The redetermined fee shall be equal to the difference between the average Index Price, for the months of November, December and January of the previous 3 years and the average Index Price for the months of June, July, and August of the previous 3 years times 2 billion cubic feet (2 Bcf). The Index Price shall be the price per MMBtu, dry, contained in Natural Gas Week for spot market sales of gas under the row "Midcontinent," and in the column "Delivered to Pipeline" for the applicable months. If Natural Gas Week ceases to publish such prices, then the parties agree to negotiate to agree on another index which most closely reflects the previous index. Either party may elect to suspend the Seasonal Exchange until the next Redetermination Date (and incur no further obligation during such suspended period) by giving written notice to the other at least 60 days prior to such current Redetermination Date. The failure to elect to suspend shall deem that both parties shall continue the Seasonal Exchange at the redetermined fee until the next redetermination date or

termination of the Agreement, whichever is applicable. The redetermined fee for each year of the Seasonal Exchange shall be paid in 3 equal installments on each December 26, January 25, and February 25 of such yearly period.

(d) Payments shall be made by wire transfer to the same account as pipeline capacity payments.

4.4 If pipeline capacity is made available for less than a full month due to this Agreement commencing on a day other than the first day of a month or terminating on a day other than the last day of a month, the monthly payment shall be the regular monthly payment as set forth above times a fraction, the numerator of which shall be the number of days capacity was made available, and the denominator of which shall be the total number of days in such month.

4.5 In the event KOK shall fail to pay any amount due TRANSOK when the same is due, interest thereon shall accrue at a varying rate per annum (based on a year of 365 or 366 days, as the case may be) which shall be one hundred fifteen percent (115%) of the prime rate charged by major money center banks, as published in the Wall Street Journal, to their largest and most credit-worthy commercial borrowers on ninety (90) day commercial loans (but in no event greater than the maximum rate of interest permitted by law) with adjustments in such rate, for any period during which the same shall be overdue, such interest to be paid when the amount past due is paid. If such failure to pay continues for thirty (30) days, TRANSOK may suspend KOK's access to the leased capacity. In addition, advance cash payments or acceptable security (including, but not limited to, an irrevocable letter of credit from a financial institution in an amount acceptable to TRANSOK) shall be given by KOK upon demand of TRANSOK, if KOK has failed to make payments when

due and owing hereunder. KOK agrees that its failure to abide by the provisions of this Paragraph shall be considered a breach hereof and in such event, TRANSOK may, without waiving any other rights or remedies it may have, deny KOK access to the leased capacity until such payment is received. KOK's duty to provide the hereinabove credit assurance is a condition precedent to TRANSOK's obligation to perform under this Agreement. The exercise of such rights shall be in addition to any and all other remedies available to TRANSOK. In the event TRANSOK pursues collection on late payment and prevails in a judgment or arbitration award, KOK shall be liable for all expenses and costs, including reasonable attorney fees, incurred as a result of such failure to timely pay. Nothing herein shall require that KOK shall pay interest on any amount invoiced by TRANSOK if KOK has challenged the invoice in writing and such invoice is ultimately determined to be in error; provided, however, interest shall be due on any invoice, or portion thereof, challenged but not found to be in error. In addition, if just a portion of the invoice is challenged, KOK shall pay when due the portion of the invoice which is not challenged.

- 4.6 Notwithstanding anything to the contrary herein, KOK's lease payment obligation herein shall not be reduced, except when the pipeline capacity available to it has been reduced in accordance with Section 1.2 or Section 9.4 herein.

ARTICLE V
RECEIPT AND DELIVERY POINTS

- 5.1 Gas delivered or caused to be delivered by KOK or its shippers shall enter the facilities in which pipeline capacity has been leased hereunder at the point or points (Receipt Point(s)), as set forth in Exhibit "F" to this Agreement.

5.2 Gas delivered or caused to be delivered for KOK to its shippers, for their accounts, or for KOK'S own account shall leave the facilities in which pipeline capacity has been leased hereunder at the point or points (Delivery Point(s)), as specifically set forth in Exhibit "G."

5.3 The Parties agree that the Primary Delivery Point set out in Exhibit "G" shall be utilized as the primary delivery point for all leased capacity volumes (90,000 MMBtu/d) moved under this Agreement and that KOK shall have priority over any other party leasing space or transporting gas on TRANSOK'S pipeline in regard to the utilization of capacity at such meter and point.

If KOK does not utilize the Primary Delivery Point for the full amount of capacity to which it is entitled herein it shall be entitled to use the remaining amount of pipeline capacity for deliveries to the Secondary Delivery Points set out in Exhibit "G" on a "Sufficient Capacity" basis. It shall be deemed that Sufficient Capacity is available at the Secondary Delivery Points when:

- (a) TRANSOK is physically capable of delivering such gas to the nominated Secondary Delivery Points under the physical conditions existing on its system at such time; and
- (b) The capacity is not being utilized by TRANSOK for other lease capacity, firm transportation or sales customers; and
- (c) KOK agrees to pay TRANSOK, a lease rental pursuant to Section 4.1(b) which is One Cent (1¢) more than the lowest price being paid by any customer/shipper/transporter of TRANSOK at such Secondary Delivery Point and thereby be entitled to have a higher

priority access than the volume being bumped to such Secondary Delivery Point; i.e., KOK may pay a lease rate equal to One Cent (1¢) higher than the lowest transportation rate of any TRANSOK customer/shipper/transporter and have a greater prior access to any particular Secondary Delivery Point than such customer/shipper/transporter;

and

KOK's nomination for such capacity at the Secondary Delivery Points was made prior to the beginning of the month of delivery.

Any nomination by KOK in accordance with these provisions and the other applicable provisions herein will be accepted by TRANSOK for the Secondary Delivery Point(s) for the entire month or the portion thereof nominated by KOK. Any nomination to a Secondary Delivery Point by KOK after the nomination deadline for the next month shall be accepted by TRANSOK only if subparagraph (a) is satisfied and if the nomination will not bump or displace any customers of TRANSOK, firm and/or interruptible, at such Secondary Delivery Point.

- 5.4 The parties agree that additional Receipt Point(s) and Secondary Delivery Point(s) may be added to this Agreement from time to time to facilitate KOK's utilization of this Agreement immediately upon the parties' mutual agreement on the terms upon which the new points will be added. Exhibit "B" shall be amended or superseded semiannually, each January 1 and July 1, to add the new Receipt Points that have been constructed on the TRANSOK system pursuant to such agreements. Exhibit "C" shall be amended or superseded at the time of mutual agreement of the Parties. Unless otherwise agreed, all new or additional receipt and/or delivery facilities that may be required for the utilization of the capacity leased hereunder for Delivery and Receipt

Points not on Exhibits "B" and "C" as of the date of execution of this Agreement will be designed, constructed, maintained, owned, and operated by TRANSOK.

- 5.5 Receipt and Delivery Point(s) shall be deemed to be located at the flanges connecting (a) the facilities owned by TRANSOK in which capacity is leased hereunder with (b) those facilities owned by KOK, leased by KOK from parties other than TRANSOK, or used by KOK or its gas supplier, shipper, customer, or Receiving Party for the delivery to and receipt from facilities in which pipeline capacity is leased hereunder.

ARTICLE VI
POSSESSION OF GAS AND RESPONSIBILITY

- 6.1 It is understood that gas belonging to or transported by KOK and received by the facilities in which pipeline capacity is leased hereunder will be commingled with gas belonging to, or transported by TRANSOK. Nevertheless, it is understood and agreed that each Party hereto shall own its own gas and that each Party shall be a tenant in common of said commingled stream in the pipeline capacity in the proportion that gas put into such facilities by such Party bears to the entire commingled stream.
- 6.2 Gas delivered from said commingled stream shall amount to a partition of the gas, and title and/or control of the gas delivered shall be in the Party to whom the same is delivered.

ARTICLE VII
OPERATION OF PIPELINE

- 7.1 Operation of the pipeline shall be in accordance with the Exhibit "A" attached hereto, having a term commensurate with this Lease.

ARTICLE VIII
TAXES

- 8.1 TRANSOK shall be responsible for any and all real estate taxes levied by any authority on the facilities in which capacity is leased hereunder. If KOK is required by law to pay any such real estate taxes, such payment(s) shall be credited against the monthly pipeline capacity payments due pursuant to Article IV until such credit is extinguished.

ARTICLE IX
FORCE MAJEURE AND PRORATION OF PIPELINE CAPACITY

- 9.1 If either Party is rendered unable by force majeure, or any other cause of any kind not reasonably within its control, wholly or in part, to perform or comply with any obligations or conditions of the Agreement (other than its obligation to make payments due hereunder), upon such Party's giving timely notice and reasonably full particulars to the other Party, such obligation or condition shall be suspended during the continuance or the specific inability so caused, and such Party shall be relieved of liability and shall suffer no prejudice for failure to perform the same during such period. The cause of suspension (other than strikes or differences with workmen) shall be remedied so far as possible with reasonable dispatch. Settlement of strikes and differences with workmen shall be wholly within the discretion of the Party having difficulty. The Party having difficulty shall notify the other Party of any change in circumstances giving rise to the suspension of its performance and of its resumption of performance under the Agreement.
- 9.2 The term "force majeure" shall include, without limitation by the following enumeration: acts of God and the public enemy, the elements, fire, accidents, breakdowns, strikes, differences with workmen, and any other industrial, civil or public disturbance, failure to obtain necessary government authorizations, any act or omission beyond the control of

the Party having the difficulty, and restrictions or restraints imposed by laws, orders, rules, regulations, or acts of any government or governmental body or authority, civil, or military, the necessity or desirability of making repairs or alterations of machinery, equipment of lines of pipe, freezing of equipment, or lines of pipe, and any other causes, whether of the kind herein enumerated or otherwise, not reasonably within the control of the Party claiming suspension. Force majeure likewise includes: (i) in those instances when either Party hereto is required to obtain servitudes, right-of-way grants, permits or licenses to enable such Party to acquire, or the delays on the part of such Party in acquiring, at reasonable costs and after the exercise of reasonable diligence, such servitudes, rights-of-way, grants, permits, or licenses and (ii) in those instances where either Party is required to furnish materials, supplies, or equipment for construction, installing, or maintaining facilities or equipment, or is required to secure, permits or permission from any governmental agency, federal, state or local, civil or military, to enable such Party to fulfill its obligations hereunder, the inability of such Party to acquire or install or both, supplies, equipment, permits and permission. Events of force majeure upstream of the Receipt Points shall also be deemed events of force majeure hereunder.

9.3 Notwithstanding the foregoing, it is specifically understood and agreed by the Parties hereto that force majeure shall in no way terminate the Parties' obligations to balance those volumes of gas received and delivered hereunder, but such parties' obligations shall be suspended during such period of force majeure.

9.4 If a force majeure event reduces the pipeline capacity available to KOK hereunder at the Primary Delivery Point for gas volumes used for space heating by KOK's customers (space

heat volumes), then TRANSOK agrees to use its best efforts to provide KOK capacity equal to the displaced space heat volumes at unaffected Secondary Delivery Points for the time period of the force majeure event. The term "best efforts" shall be defined as the use of reasonable effort and due diligence in performing the obligation, subject to any good faith exercise of judgment and discretion in the conduct of the performer's business and without the duty to perform the obligation at an economic loss, provided, however, that TRANSOK will displace interruptible volumes, even if moving at a higher rate, at the requested Secondary Delivery Points with the KOK volumes. If capacity can't be made available, then the monthly payment shall be adjusted by multiplying the regular monthly payment by a fraction, the numerator of which shall be the sum of the daily capacity available to KOK on each day of such month, and the denominator of which shall be the product of the daily capacity leased hereunder times the number of days in such month. If a force majeure event reduces the ability of the parties to perform the Seasonal Exchange, the exchange period shall be extended into February, or longer if necessary, for the same amount of days as were interrupted, and the Annual Seasonal Exchange Fee shall be reduced by an amount equal to the Index Price of the month or months of interruption times the volumes affected. On March 25 of each year that the Seasonal Exchange Period is extended into February due to force majeure events during the regular period, KOK shall pay TRANSOK for the extended period of the Seasonal Exchange in the following manner:

Payment = (Index Price of the month the force majeure event occurred minus Index Price of make-up month) X volumes affected by force majeure

The "Index Price" shall be determined the same as provided in Section 4.3(c). TRANSOK shall not owe KOK any payment if

the above calculation results in a negative number. For the first year of the Seasonal Exchange, TRANSOK shall be paid at least \$860,000, notwithstanding the result of such adjustment.

- 9.5 Routine maintenance and repair described in Article 1 of the Exhibit "A" attached hereto shall not constitute force majeure and the full pipeline capacity payment and Seasonal Imbalance Fee shall be due during such periods, provided that TRANSOK agrees to make a good faith effort to provide KOK other capacity, equal to the amount of capacity unavailable to KOK, at unaffected Secondary Delivery Points for the time period of the maintenance and/or repair.

ARTICLE X LIABILITY

- 10.1 TRANSOK shall be responsible for loss or physical damage to the facilities in which capacity is leased hereunder, including equipment necessary to carry out its performance under this Lease, unless such loss or damage is due in part or whole to the negligent acts, breach of this Agreement, or omissions of KOK, in which case KOK will be responsible for such loss.

ARTICLE XI WARRANTIES

- 11.1 Each Party hereto warrants good title or the good right to its respective volume of gas in the commingled stream and that such gas shall be free and clear of all liens and adverse claims; and each Party agrees with respect to its respective volume of gas, to indemnify the other Party against all suits, actions, debts, accounts, damages, costs (including attorney's fees), losses and expenses arising from or out of any adverse claims of any and all persons to or against said gas.

11.2 KOK warrants that it is qualified to conduct business in the State of Oklahoma as an intrastate natural gas pipeline company; that it presently owns and operates intrastate natural gas transportation facilities in the State of Oklahoma; and that it is currently engaged in transportation not subject to the Natural Gas Act; and that it will properly file all documents and obtain all approvals related to its leased capacity which are necessary to maintain the intrastate status of the pipeline facilities.

11.3 Each Party hereto further hereby warrants to the other that entering into and performance of this Lease have been duly authorized by all necessary corporate action and that, to the best of its knowledge, no legal impediment exists to its performance hereunder.

ARTICLE XII
GOVERNMENTAL RULES AND REGULATIONS

12.1 Subject to the terms of Sections 2.3, this Agreement shall be subject to all present and future state and federal laws, orders, directives, rules and regulations of any governmental body or official having jurisdiction, and neither Party has or will knowingly undertake or knowingly cause to be undertaken any activity which would conflict with such laws, orders, directives, rules or regulations; provided, however, that nothing herein shall be construed to restrict or limit either Party's right to object to or contest any such law, order, directive, rule or regulations.

ARTICLE XIII
ASSIGNMENT

13.1 The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the successors, assigns

and legal representatives of the Parties hereto. Neither Party may assign this Lease or any of its rights or obligations hereunder, without the prior written consent of the other Party, but consent to assignment will not be unreasonably withheld. However, this Agreement may be assigned without the consent of the non-assigning Party to an affiliate or subsidiary of TRANSOK or KOK (or to an affiliate of any of the partners of KOK) or by TRANSOK or KOK in conjunction with a sale of all or substantially all of the assets of either company.

- 13.2 No assignment shall in any way relieve the assignor of any obligation it may have hereunder.

ARTICLE XIV
NOTICES

- 14.1 Except when otherwise provided herein, any notice, request, demand, or statement provided for in this Agreement shall be in writing and shall be deemed given upon receipt when sent by telecopy, telex or other telecommunication, or upon deposit, when deposited with the United States Postal Service, registered or certified mail with postage prepaid and directed to the post office address of the Parties as follows:

TRANSOK: TRANSOK, INC.
P. O. Box 3008
Tulsa, Oklahoma 74101
Attention: Vice President, Gas Supply,
Transportation and Marketing
Phone: (918) 561-9069
FAX: (918) 561-9341

KOK: KANSOK PARTNERSHIP
c/o Kansas Pipeline Operating Company
Suite 170, Corporate Square
335 N. Washington
Hutchinson, Kansas 67501
Attention: Dennis M. Langley
Phone: (316) 662-6445
FAX: (316) 665-5961
and

KANSOK PARTNERSHIP
c/o Kansas Pipeline Operating Company
600 Commerce Plaza
7300 West 110th Street
Overland Park, Kansas 66210
Attention: Vice-Pres., Supply and Transportation
Phone: (913) 451-3330
FAX: (913) 451-4719

- 14.2 Either Party may from time to time designate as the address for notification under this Article any other address of its choice by delivery of registered mail to the other Party.

ARTICLE XV
COUNTERPART EXECUTION

- 15.1 This Agreement may be executed in any number of counterparts, no one of which need be executed by all Parties, or may be ratified, adopted or consented to by separate instrument, in writing specifically referring hereto, and shall be binding upon all Parties who execute a counterpart, ratification, adoption or consent with the same force and effect, and to the same extent as if all such Parties had executed and signed the same document, with each separate counterpart, ratification, adoption or consent deemed to be an original.

ARTICLE XVI
MISCELLANEOUS

- 16.1 No waiver by either TRANSOK or KOK of any default by the other under this Agreement shall operate as a waiver of any future default, whether of like or different character or nature. Each Party shall use best efforts to mitigate any damages hereunder.

- 16.2 The numbering and titling of particular provisions of this Agreement are for the purposes of facilitating administration and shall not be construed as having any substantive effect on the terms of this Lease.
- 16.3 The terms of this Agreement shall be construed according to the laws of the State of Oklahoma, except that the conflict of laws rules shall not be used to apply the substantive law of another state.
- 16.4 Any and all disputes arising between and/or among the Parties hereto shall be submitted to arbitration pursuant to the rules and regulations of the American Arbitration Association; and the resolution of any such disputes shall be specifically enforceable in any court of proper jurisdiction by injunctive relief, execution, monetary damages and/or any other relief or remedy ordered by the Arbitrator(s). The Parties may, but shall not be required to, enter into an Addendum hereto that modifies, supplements, alters, or expands the rules, regulations, and procedures of the American Arbitration Association.
- 16.5 The various articles, paragraphs, sections, provisions and clauses of this Agreement are severable. The invalidity of any portion hereof shall not affect the validity of any other portion of or the entire Agreement.
- 16.6 The attached Exhibits "A" through "G", as such Exhibits may be amended from time to time, are incorporated herein and specifically made a part hereof by reference. No modification of this Agreement shall be effective unless reduced to writing and duly executed by the Parties hereto.
- 16.7 The Parties each agree to fully waive any right they may have to seek and collect punitive, consequential, indirect

and special damages from the other Party, but each party shall retain the right to seek and collect actual damages from the other Party.

16.8 The following provisions shall survive the termination of this Agreement and shall remain in full force and effect following such termination as if the Agreement had not been terminated:

- (a) The obligation of KOK to pay monthly pipeline capacity Seasonal Exchange payments attributable to periods preceding the date of termination which are due and payable pursuant to Article IV;
- (b) the obligation to balance gas taken or owed after the term of this Agreement;
- (c) the payment of taxes pursuant to Article VIII;
- (d) the provisions of Article XI;
- (e) Sections 16.1 and 16.3 herein; and
- (f) Article 7 of Exhibit "A."

16.9 The Parties hereto agree that they will execute, acknowledge, and deliver an affidavit in a recordable form setting forth the existence of this Lease such that same may be recorded among the Land Records of the counties wherein the facilities in which capacity is leased hereunder are situated. Recording and like charges shall be paid by KOK.

16.10 In interpreting this Agreement, it is acknowledged by TRANSOK and KOK that this Agreement was prepared jointly by the Parties, and not by either Party to the exclusion of the other Party, and that in preparing this Agreement, each Party had access to advice of its own counsel.

16.11 KOK will not encumber and shall keep its leased capacity free and clear of all liens, encumbrances, and/or judgments. If a lien encumbrance, and/or judgment is filed against KOK on any portion of TRANSOK's facilities, KOK shall cure or otherwise satisfy it within sixty (60) days after its filing or provide TRANSOK a bond or other security, acceptable to TRANSOK. TRANSOK may cancel this Agreement if the lien, encumbrance, and/or judgment is not cured or satisfied, or the bond or other security is not provided within the 60 day time period.

IN WITNESS WHEREOF, this Agreement is executed in duplicate originals as of the day and year first hereinabove written.

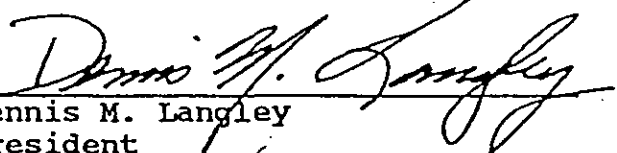
LESSEE:
KANSOK PARTNERSHIP

By: Syenergy Pipeline Company, L.P.,
Managing General Partner of
Kansok Partnership

By: Bishop Pipeline Company,
Managing General Partner of
Syenergy Pipeline Company, L.P.

ATTEST:


Assistant Secretary

By: 
Dennis M. Langley
President

ATTEST:

LESSOR:
TRANSOK, INC.

By: Michael D. Palmer
~~Norma Jean Lannon~~
Asst. Corporate Secretary

By: Richard L. Krueger
Richard L. Krueger
Vice President r l

EXHIBIT "A"

AMENDED AND RESTATED OPERATING AGREEMENT

ATTACHED TO AMENDED AND RESTATED AGREEMENT OF LEASE

BETWEEN

TRANSOK, INC., THE LESSOR

AND

KANSOK PARTNERSHIP, THE LESSEE

ARTICLE 1
SERVICES

- A. TRANSOK shall perform or cause to be performed all inspection, testing, dispatching, operations, maintenance, and repairs of the facilities described at Exhibit "B," Exhibit "F," and Exhibit "G" of the Agreement to make available to KOK the capacity leased under this Agreement.

All operating, maintenance, and repair services shall be performed in a good and workmanlike manner in accord with accepted pipeline industry standards and practices and all applicable laws and regulations.

- B. TRANSOK shall maintain all required safety and other records and timely file all required reports with any regulatory or government agency having jurisdiction over the operation, maintenance, or repair of said facilities utilized for the leased capacity, including but not limited to records and reports required by the State of Oklahoma or its agencies and the Office of Pipeline Safety of the Department of Transportation. Only such records pertinent to this Agreement shall be available for inspection by KOK or its authorized agents at the regular business hours of the TRANSOK office where such records are maintained on file.

- C. Either Party shall have the right at reasonable hours to examine the books, records and charts of the other Party to the extent necessary to verify the accuracy of any statement, payment calculations or determinations made pursuant to the provisions contained herein. The accuracy of any statement, payment calculations or determinations made pursuant to the provisions contained herein shall be conclusively presumed to be correct after two years from the date thereof if not challenged prior thereto. If any such examination shall reveal, or if either Party shall discover,

any error in its own or the other Party's statements, payment calculations or determinations, then proper adjustment and correction thereof shall be made as promptly as practicable thereafter.

- D. It is understood and agreed that at certain times KOK may temporarily not be utilizing all of the capacity to which it is entitled under this Agreement. In such event, KOK shall permit TRANSOK to make use of such non-utilized capacity, without compensation to KOK, for such period of time as such unused capacity is not required for KOK's own purposes.

ARTICLE 2
OPERATIONS AND DISPATCHING SERVICES

- A. KOK shall provide TRANSOK's Volume Control Group an estimate of the quantities of gas for receipt and delivery for each month on or before the 25th day of the preceding month. In addition, TRANSOK's Gas Control Department and KOK's corresponding department or personnel shall daily, at a mutually agreeable time, exchange information by telephone or facsimile sufficient for each to maintain log data showing estimates of (a) the quantities of gas delivered by and for KOK at each Receipt Point and Delivery Point under this Agreement during the preceding twenty-four (24) hour period; and (b) the quantities of gas scheduled to be delivered by and for KOK at each Receipt Point and Delivery Point under this Agreement during the succeeding twenty-four (24) hour period. Such estimates shall separately identify the quantities of gas nominated for the Seasonal Exchange and/or the Delivery Points and shall further be provided in both MCF's and MMBtu's, on a dry basis. Each Party shall maintain a written log of such daily estimates.
- B. Each Party shall notify the other's Volume Control Group by telephone or facsimile forty-eight (48) hours in advance of

any planned shutdown or curtailment of any receipts or deliveries of gas by either Party and confirm such notice, if made by telephone, in writing. In case of emergency or unscheduled shutdown or curtailment of any receipts or deliveries of gas by either Party or any planned shutdown or curtailment on a holiday or weekend, notice should be provided directly to the respective Gas Control Departments.

C. If KOK is advised by any of its shippers or any upstream or downstream transporter or operator to increase, reduce, or suspend deliveries utilizing capacity under this Agreement, KOK shall immediately notify TRANSOK orally and shall confirm such notification in writing, of such increase, reduction, or suspension. Similarly, if under this Agreement, TRANSOK is entitled or required to reduce the capacity available thereunder, TRANSOK shall provide immediate oral notice to KOK followed by written confirmation.

D. On or before the twentieth (20th) day of each Accounting Month, TRANSOK shall provide a statement to KOK setting forth the quantity of gas, expressed in both MCF's and MMBtu's, on a dry basis, received at each Receipt Point and delivered for the Seasonal Exchange under this Agreement during the previous Accounting Month; the total quantity of gas received under said Agreement; the quantity of gas retained hereunder for fuel, use and loss as provided in Article 4, and the total quantity of gas delivered under this Agreement. KOK shall, on a yearly basis, verify its concurrence with such statements or state its objection to such statements in writing.

ARTICLE 3
IMBALANCES

A. It shall be the responsibility of KOK to control, and, if necessary, adjust receipts and/or delivery of volumes of gas in order to maintain its utilization of the pipeline capacity and Seasonal Exchange within the terms herein and the Agreement. Nothing herein shall limit TRANSOK's right to take action as may be required to adjust receipts and deliveries of gas, including suspending utilization of the pipeline capacity, in order to alleviate conditions that threaten the physical integrity of the TRANSOK system.

B. KOK is entitled to deliver into the pipeline capacity at the Receipt Points more than it receives at the Delivery Points (hereinafter "Positive Imbalance") or deliver into the pipeline capacity at the Receipt Points less than it receives at the Delivery Points (hereinafter "Negative Imbalance") on a cumulative basis each month (both hereinafter "Interim Imbalance"), subject to the following:

(i) During the Winter Period (as defined in Paragraph 1.3 of the Lease Agreement), KOK shall not exceed an Interim Imbalance of ~~150,000~~ MMBtu; and

73,155

(ii) During the Summer Period (as defined in Paragraph 1.3 of the Lease Agreement), KOK shall not exceed an Interim Imbalance of ~~75,000~~ MMBtu.

36,577

C. Notwithstanding KOK's Interim Imbalance rights, KOK shall limit its deliveries to the Receipt Points and its receipts at the Delivery Points such that at the end of each month its imbalance, including any Positive or Negative Imbalances from previous months, is within:

(i) five percent (5%) of the volumes delivered for KOK, less fuel, during each month of the Winter Period, and

(ii) ten percent (10%) of the volumes delivered for KOK, less fuel, during each month of the Summer Period.

D. In circumstances where KOK's cumulative monthly imbalance is greater than the Winter or Summer Period tolerance as compared to its current month delivery volumes, KOK will have until the last day of the next month following notice by TRANSOK to reduce the imbalance to within five percent (5%) of KOK's then current month delivery volumes or to within 5,000 MMBtu, whichever is larger. If KOK does not eliminate the imbalance within this make-up period, a one-time charge for each imbalance incident will be assessed as follows (in addition to retaining the obligation to eliminate the imbalance by taking or receiving the imbalance volumes):

(i) For negative imbalances:

a. For imbalances in the months of November through February, KOK shall pay One Dollar (\$1.00) per MMBtu negative imbalance fee for the cumulative imbalance.

b. For imbalances in the months of March through October, KOK shall pay Twenty-five Cents (\$.25) per MMBtu negative imbalance fee for the cumulative imbalance.

c. The above imbalance fees may be paid, upon mutual agreement of the parties of such terms, by delivery of gas in kind to TRANSOK based on a value being equal to the price per MMBtu, with reference to Natural Gas Week for spot market

(i) five percent (5%) of the volumes delivered for KOK, less fuel, during each month of the Winter Period, and

(ii) ten percent (10%) of the volumes delivered for KOK, less fuel, during each month of the Summer Period.

D. In circumstances where KOK's cumulative monthly imbalance is greater than the Winter or Summer Period tolerance as compared to its current month delivery volumes, KOK will have until the last day of the next month following notice by TRANSOK to reduce the imbalance to within five percent (5%) of KOK's then current month delivery volumes or to within 5,000 MMBtu, whichever is larger. If KOK does not eliminate the imbalance within this make-up period, a one-time charge for each imbalance incident will be assessed as follows (in addition to retaining the obligation to eliminate the imbalance by taking or receiving the imbalance volumes):

(i) For negative imbalances:

a. For imbalances in the months of November through February, KOK shall pay One Dollar (\$1.00) per MMBtu negative imbalance fee for the cumulative imbalance.

b. For imbalances in the months of March through October, KOK shall pay Twenty-five Cents (\$.25) per MMBtu negative imbalance fee for the cumulative imbalance.

c. The above imbalance fees may be paid, upon mutual agreement of the parties of such terms, by delivery of gas in kind to TRANSOK based on a value being equal to the price per MMBtu, with reference to Natural Gas Week for spot market

sales of gas under the row "Midcontinent," and in the column "Delivered to Pipeline" for the month the gas is delivered to TRANSOK.

(ii) For positive imbalances:

- a. For imbalances in the months of September through November, KOK shall pay Fifty Cents (\$.50) per MMBtu positive imbalance fee for the cumulative imbalance.
- b. For imbalances in the months of December through August, KOK shall pay Twenty-five Cents (\$.25) per MMBTU positive imbalance fee for the cumulative imbalance.
- c. The above imbalance fees may be paid, upon mutual agreement of the parties of such terms, by delivery of gas in kind to TRANSOK based on a value being equal to the price per MMBtu, with reference to Natural Gas Week for spot market sales of gas under the row "Midcontinent," and in the column "Delivered to Pipeline" for the month the gas is delivered to TRANSOK.
- d. If KOK does not eliminate its imbalance within one year from when TRANSOK issues KOK its initial notice, title to any cumulative imbalance remaining on the books shall automatically pass to TRANSOK and no further charge shall be due and owing from KOK.

(iii) Any imbalance gas to which TRANSOK does not take title will be moved in the pipeline capacity at the charge applicable under Subsection 4.1 b. of the Agreement at the time it is delivered by KOK.

- a. TRANSOK will not assess an imbalance fee in the event KOK's failure to take corrective action is caused by TRANSOK's actions or force majeure conditions as defined in Article IX of the Lease Agreement.

E. ~~During the months of June, July and August, volumes of gas received at Receipt Points will first be allocated to KOK's nomination for Seasonal Exchange and any difference between the remaining volumes of gas received and delivered shall be identified as a pipeline capacity imbalance. Likewise, during the months of November, December and January, volumes of gas delivered at the Delivery Points will first be allocated to KOK's nomination for Seasonal Exchange and any difference between the remaining volumes of gas received and delivered shall be identified as a pipeline capacity imbalance.~~ See A-Ba

ARTICLE 4
GAS RETENTION

- A. KOK shall deliver to TRANSOK [in addition to the volumes being redelivered to KOK at the Delivery Point(s) under the Agreement] volumes of gas for fuel use, loss and unaccounted for gas (fuel charge) equal to one and one-quarter percent (1 $\frac{1}{4}$ %) of the total MMBtu's of gas being delivered to the pipeline capacity Delivery Point(s) as a fuel charge for volumes received at Categories C, D and E of Exhibit "E," 1 $\frac{1}{2}$ % of the total MMBtu's of gas being delivered to the pipeline capacity Delivery Points as a fuel charge for volumes received at Categories A and B of Exhibit "E," and one and one-half percent (1 $\frac{1}{2}$ %) of the total MMBtu's of gas incurred as a Seasonal Exchange. From October 1, 2002, until the termination of this Agreement, the fuel charge for TRANSOK's transmission line shall be amended to equal the

[REDACTED] "During the months of June, July and August, KOK shall nominate specific Receipt Points for the Seasonal Exchange. If actual deliveries from the designated Receipt Points are greater than the nomination to the Seasonal Exchange, the excess shall be delivered to the Delivery Points nominated by KOK to receive the excess Seasonal Exchange nominations volumes. If actual deliveries from the designated Receipt Points are less than the nomination to the Seasonal Exchange, then the gas nominated to the Secondary Delivery Points shall be utilized to fulfill the Seasonal Exchange nomination and, if necessary, gas nominated to the Primary Delivery Point also."

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actual fuel consumed on such portion of the pipeline, but the gathering pipeline fuel charge and Seasonal Exchange fuel charge shall remain the same as in the previous sentence. Such fuel charges are in substitution of, and not in addition to, the fuel charges set forth in any Gas Sales Agreements between the parties or their affiliates covering gas moved in the pipeline capacity. The pipeline capacity shall not be reduced by such fuel charges; i.e., TRANSOK shall deliver the pipeline capacity (in MMBtu's) to the Delivery Points and KOK shall deliver the pipeline capacity (in MMBtu's) plus the fuel charge to the Receipt Points. If TRANSOK adds additional compression to its system in the future the fuel charge shall be increased upon mutual agreement of the parties if the compression aids deliveries to KOK.

ARTICLE 5
COMPENSATION AND PAYMENT

- A. As compensation for TRANSOK's operating services as contained in this Exhibit "A," KOK agrees to pay TRANSOK Thirty Thousand Dollars (\$30,000) each month. This amount is included in the monthly pipeline capacity payment stated in Section 4.1 of the Agreement and shall be paid in accordance with the provisions of the Agreement.
- B. On or before the twentieth (20th) day of each month, TRANSOK shall render or cause to be rendered to KOK a statement setting forth the total quantity of gas received at all Receipt Points under the Agreement during the previous Accounting Month.

5. The following language shall be added as Article 4, B of the Exhibit A: "For gas volumes delivered to the Seasonal Exchange, a pipeline capacity fuel charge shall apply to such gas volumes during the month of delivery and no Seasonal Exchange fuel charge shall apply at such time. The Seasonal Exchange fuel charge shall apply when gas volumes are delivered from the Seasonal Exchange, but no pipeline capacity fuel charge shall apply at such time."

ARTICLE 6
EQUIPMENT, LABOR, AND MATERIALS

- A. TRANSOK shall furnish all necessary equipment, qualified labor and supervisory employees, contract services, materials, supplies, consumables, etc., required in performing services hereunder.

ARTICLE 7
RELEASE AND INDEMNITY

- A. TRANSOK shall be responsible for and shall indemnify KOK against all liabilities and claims for injury and damages to persons or property, including loss of gas in excess of the quantity retained by TRANSOK pursuant to Article 4, arising out of the activities of TRANSOK under this Agreement and under the Lease, unless caused by the negligence of KOK. KOK shall be responsible for and shall indemnify TRANSOK against all such liabilities and claims arising from its handling of gas hereunder, unless caused by the negligence of TRANSOK. If such liabilities or claims shall arise out of the negligence of both KOK and TRANSOK, then KOK and TRANSOK shall each bear its share of all costs and expenses arising out of such liability or claim in proportion to the extent of their respective contribution of negligence.

- B. Each Party agrees to indemnify and hold the other Party harmless from and against all judgement, recoveries, charges, and expenses, including reasonable attorneys' fees, arising out of claim with respect to ownership of gas delivered into or redelivered from the Leased Facilities by the indemnifying Party.

ARTICLE 8
(Intentionally Left Blank)

ARTICLE 9
INDEPENDENT CONTRACTOR

- A. TRANSOK shall act as an independent contractor insofar as the performance of services hereunder is concerned. To that end, TRANSOK shall employ and direct such personnel as it requires to perform said services; shall secure any and all permits that may be required in order to perform the services herein contemplated; shall exercise full and complete authority over its personnel; shall comply with all workmen's compensation, employer's liability and other federal, state, county and municipal laws, ordinances, rules and regulations required of an employer performing services as herein contemplated; and shall make all reports, pay all payroll-related taxes, and remit all withholding or other deductions from the compensation paid its personnel as may be required by any federal, state, county or municipal law, ordinance, rule or regulation.

ARTICLE 10
RECEIPT AND DELIVERY PRESSURES

- A. All gas delivered hereunder by KOK shall be delivered at pressures sufficient to enter TRANSOK's system at the working pressures maintained at the Receipt Point(s) from time to time. TRANSOK shall not be obligated to receive gas hereunder at pressures exceeding the maximum allowable operating pressures prescribed under any applicable governmental regulations. TRANSOK shall not be obligated to provide compression facilities to cause gas to flow at any Receipt Point(s). The maximum contract delivery pressure for KOK shall be obtained by KOK from TRANSOK's Transportation

Department prior to or upon requesting a connection evaluation.

- B. All gas delivered hereunder by TRANSOK at the Delivery Point(s) shall be delivered at pressures sufficient to enter such designated Delivery Point(s); however, TRANSOK shall at no time be required, unless otherwise agreed in writing, to construct or modify facilities currently existing, including compression, to effect such delivery in the event the downstream pipeline changes its operating conditions from those in effect at the time the interconnection was completed.
- C. TRANSOK agrees that it shall deliver the gas hereunder at a minimum pressure of 425 psig at the meter run at the Primary Delivery Point. However, TRANSOK is allowed to deliver the entire nominated quantity of gas at the Primary Delivery Point at a pressure less than 425 psig for up to 15 days (no more than 3 days consecutively) each year if it maintains a minimum pressure of 400 psig at the meter run of the Primary Delivery Point.

ARTICLE 11
MEASUREMENT

- A. The gas delivered to the Receipt and Delivery Point(s) shall be measured with meters constructed and installed, and whose computations of volume are made, in accordance with the provisions of ANSI-API 2530-AGA-3, latest revision as mutually accepted by both parties.
- B. The temperature of the gas shall be determined by a recording thermometer so installed that it will record the temperature of the gas flowing through the meters. The average of the record to the nearest one degree (1°) Fahrenheit, obtained while gas is being delivered, shall be the applicable flowing

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14.73

gas temperature for the period under consideration. For all measurement of gas required in this Section, the BTU content per cubic foot shall be determined for a cubic foot of gas at a temperature of sixty degrees (60°) Fahrenheit, at an absolute pressure of fourteen and sixty-five hundredths (14.65) pounds per square inch on a dry basis.

C. The BTU, specific gravity, carbon dioxide, and nitrogen content of the gas delivered to the Receipt or Delivery Point(s) shall be determined by the use of an on-line chromatograph or by a chromatographic analysis of the gas obtained by a continuous sample or spot sampling method. The results of any sample taken with an on-line chromatograph shall be applied to the month in which the sample was taken. The results of any sample taken, other than an on-line chromatograph, shall be applied to the month succeeding the month in which the sample was taken. The method used will be in accordance with accepted industry standards and will be based on the following guidelines:

- (i) Receipt Points with volumes greater than 2 MMcf per day but less than 25 MMcf per day will have an automatic BTU sampler unless the use of an on-line chromatograph is preferred by either or both parties. However, if KOK requests the use of an on-line chromatograph, KOK will bear the cost of the on-line chromatograph prior to connection of the gas source.
- (ii) Receipt Points with consistent volumes of 25 MMcf per day or greater will have an on-line gas chromatograph, subject to adequate site facilities being available, including the availability of electricity and land to accommodate the necessary equipment, otherwise a continuous BTU sampler will be used to determine gas quality.

- (iii) Receipt Points with volumes equal to or less than two (2) MMcf per day will use a spot sampling technique for single wellhead connections and a continuous sampling technique for Central Receipt Points involving more than one well.

- D. Adjustment for the effect of supercompressibility shall be made according to the provisions of the latest version of NX-19 for the average conditions of pressure, flowing temperature, and specific gravity at which the gas was measured during the period under consideration and with the proportionate values each of carbon dioxide and nitrogen in the gas delivered included in the computation of the applicable supercompressibility factors.
- E. If at any time during the term hereof a new method or technique is developed with respect to gas measurement or the determination of the factors used in such gas measurement, such new method or technique may be substituted for the gas measurement set forth in this Section upon mutual agreement thereto by the parties.

ARTICLE 12
MEASURING EQUIPMENT AND TESTING

- A. The construction, ownership, operation and maintenance of any measuring facilities necessary to accomplish the receipt of gas by TRANSOK for the account of KOK at the Receipt Point(s) and the delivery of gas for the account of KOK at the Delivery Point(s) shall be the responsibility of TRANSOK. Each party shall at all reasonable times have access to the premises of the other for inspections, insofar as such premises are connected with any matter or thing covered hereby. The operation of measuring equipment and changing of charts shall be done only by the employees or agents of TRANSOK at the Receipt Point(s) and the Delivery Point(s).

B. (i) TRANSOK and KOK shall keep their own measuring equipment accurate and in repair, making such periodic tests to verify the condition of meter tubes, orifice plate, and chart recorder or flow computer. Both parties agree to give each other seven (7) calendar days notice prior to such tests of the measuring equipment so that, if desired, either party may have its representative present. Either party shall have the right to challenge the accuracy of the other party's equipment, and when challenged, the equipment shall be tested, calibrated and, if required, repaired by the challenged party, the cost of such special test to be borne by the challenged party if the percentage of the inaccuracy is found to be more than two percent (2%), but if the percentage of inaccuracy is found to be two percent (2%) or less, the cost of such special test shall be borne by the challenging party. If upon any test the percentage of inaccuracy is found to be in excess of two percent (2%), registrations thereof shall be corrected for a period extending back to the time such inaccuracy occurred, if such time is ascertainable, and if not ascertainable, then back one-half (1/2) of the time elapsed since the last date of calibration. Any measuring equipment found to be measuring inaccurately in any percentage shall be adjusted at once to read accurately.

(ii) If, for any reason, the meter(s) are out of service or out of repair so that the amount of gas received and/or delivered cannot be ascertained or computed from the readings thereof, the gas received and/or delivered during the period such meter(s) are out of service or out of repair shall be estimated and agreed upon by the parties hereto by the use of the first applicable of the following methods:

- a. By comparative utilization of any like check measuring equipment installed by KOK or KOK's designee if such check measuring equipment can be proven and verified to be measuring accurately subject to the check meter provisions in Paragraph E of this section; or
 - b. By computing the error if the percentage of error is ascertainable by calibration, test or mathematical calculation; or
 - c. By estimating the quantity received and/or delivered by reference to actual receipts and/or deliveries during preceding periods under similar conditions when TRANSOK's measuring equipment was registering accurately.
- C. The charts and records from the measuring equipment shall remain the property of TRANSOK and shall be kept on file for a period of time not less than two (2) years from the end of the calendar year in which the charts and records were generated or prepared. At any time within such period, upon written request by KOK, records and/or charts from the measuring equipment, together with calculations therefrom, will be submitted for KOK's inspection and verification subject to return to TRANSOK within thirty (30) days from receipt thereof. KOK or KOK's designee shall retain its charts and records for the same period of time as TRANSOK's obligation under this paragraph.
- D. TRANSOK and KOK shall each have the right, but not the obligation, to install and operate telemetering equipment it deems necessary to carry out Supervisory Control and Data Acquisition (SCADA) or other operational needs at any Receipt and/or Delivery Point(s) contemplated hereunder, provided TRANSOK's normal operations are not impeded.

E. KOK or KOK's designee shall have the right to install, maintain as described in Paragraph A of this section, and operate such check measurement equipment as it may desire, but same shall not interfere with or impede in any way the operation of TRANSOK's measurement or other equipment hereunder, and all calibrating and adjusting of check meters and changing of charts shall be done by KOK or its designees. Such check meters may be installed at the Receipt Point(s) only, unless the Delivery Point(s) are at KOK's or its designee's pipeline. Further, TRANSOK must be notified seven (7) calendar days prior to all testing and calibration in order to have a representative present. In the event TRANSOK proves the inaccuracy of KOK's check meter or all applicable check meter maintenance records are not available, both parties agree to incorporate the next applicable alternate method detailed in Paragraph B.2 of this Section to resolve the discrepancy.

ARTICLE 13
QUALITY

The gas delivered to the Receipt Point(s) hereunder:

- A. Shall be dehydrated and shall in no event have a water content in excess of seven (7) pounds of water per million (1,000,000) cubic feet of gas measured at a pressure base of fourteen and sixty-five hundredths (14.65) pounds per square inch and at a temperature of sixty degrees (60°) Fahrenheit, as determined by dew point or other moisture equipment in general use in the industry and mutually acceptable to both parties.
- B. Shall not contain more than one-fourth (1/4) grain of hydrogen sulfide per one hundred (100) cubic feet as

have the right to install,
Paragraph A of this section, and
t equipment as it may desire,
with or impede in any way the
surement or other equipment
and adjusting of check meters
e done by KOK or its designees.
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oint(s) are at KOK's or its
TRANSOK must be notified seven
ll testing and calibration in
present. In the event TRANSOK
check meter or all applicable
rds are not available, both
the next applicable alternate
.2 of this Section to resolve

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Y

int(s) hereunder:

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easured at a pressure base of
ths (14.65) pounds per square
xty degrees (60°) Fahrenheit,
other moisture equipment in
mutually acceptable to both

one-fourth (1/4) grain of
dr (100) cubic feet as

methods in general use in the
table to both parties.

han twenty (20) grains of total
100) cubic feet as determined by
general use in the industry and
parties.

than the Arkoma Lines 23 and 24,
agreed to in writing, not contain

olume of carbon dioxide.
arts per million) by volume of

olume of nitrogen.

es 23 and 24, not contain in excess
ty specifications, provided the
ine will accept such gas either by
rrent tariff or by a written waiver
t to TRANSOK and/or KOK waiving its
ons:

volume of carbon dioxide.
ndred parts per million) by volume

by volume of nitrogen.

ercent (4%) by volume of carbon
n combined, using the individual
ragraph E.

in less than 975 BTU per cubic foot
23 and 24, but such gas shall not
highest BTU specified in the most

current tariffs of the pipelines to which KOK has then designated delivery. In the event that the total heating value of KOK's gas falls below the higher of either the tariff specified BTU per cubic foot of KOK's then designated receiving pipeline or 975 BTU per cubic foot, for gas received on lines 23 and 24 only, and in the event that KOK's then designated receiving pipeline curtails TRANSOK's delivery on the basis of heating value, TRANSOK shall have the option to refuse to accept said gas unless KOK can provide and/or TRANSOK can obtain, in writing, a waiver of such BTU content requirement from KOK's then designated receiving pipeline. The gas received on lines other than Lines 23 and 24 shall generally not contain less than 1000 BTU per cubic foot, unless otherwise mutually agreed to in writing. The BTU content per cubic foot shall be determined for a cubic foot of gas at a temperature of sixty degrees (60°) Fahrenheit, at an absolute pressure of fourteen and sixty-five hundredths (14.65) pounds per square inch on a dry basis. Notice by either TRANSOK or any downstream pipeline as to a change in BTU specifications on the downstream pipeline shall serve as notice by TRANSOK and such change will be effective on TRANSOK on the same date as the downstream pipeline.

- G. Shall, in addition to meeting the above specifications, be commercially free from dust, gum, gum-forming constituents, or other liquid or solid matter that might become separated from the gas in the course of transportation through pipelines.
- H. Shall not be considered acceptable if the temperature is below a minimum temperature of forty degrees (40°) Fahrenheit or above a maximum temperature of one hundred twenty degrees (120°) Fahrenheit.

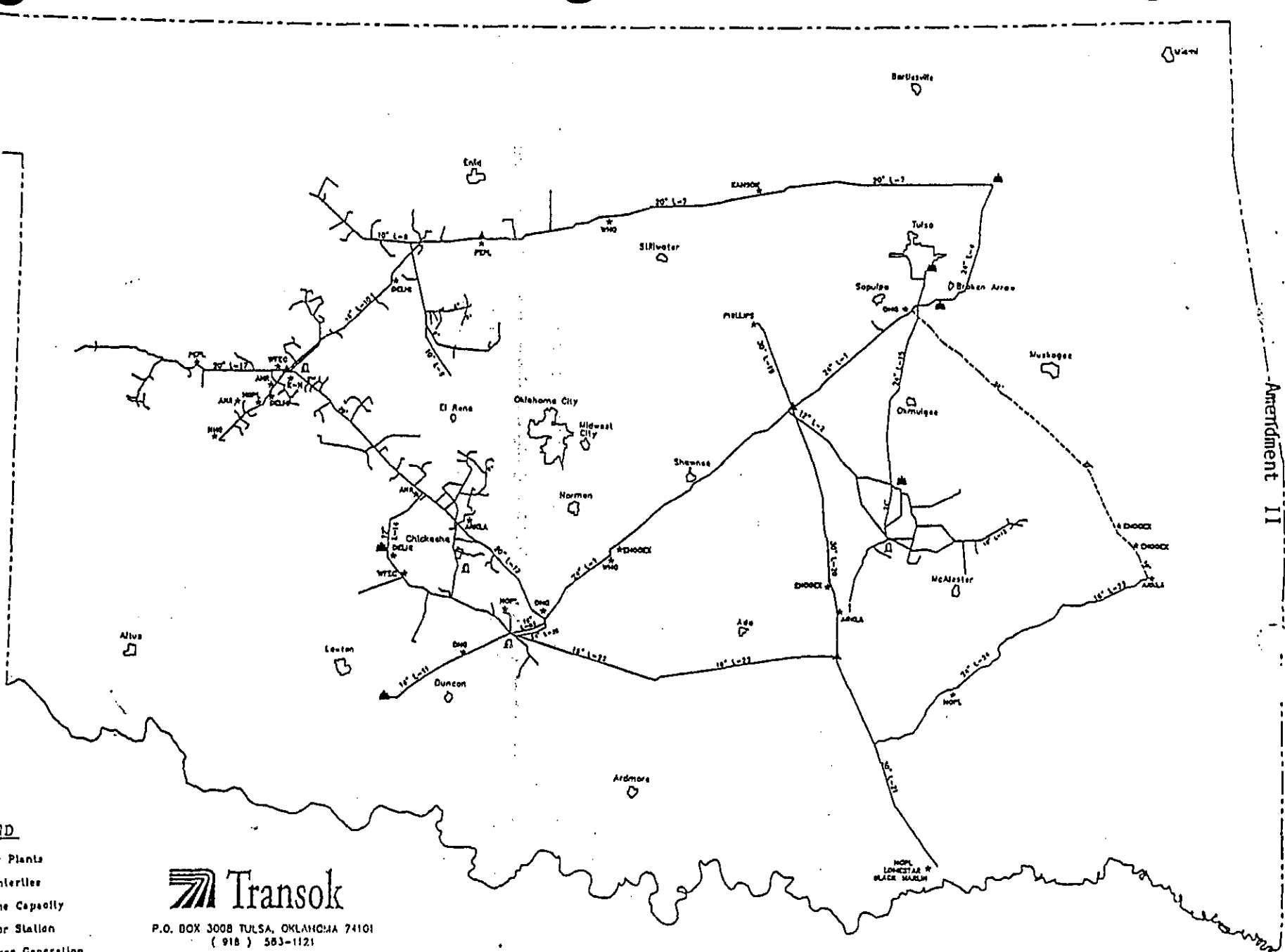
I. In any event, TRANSOK will accept gas that does not meet all of the above specified quality standards so long as the immediate downstream pipeline(s) to which the gas has been nominated will accept such gas, provided that TRANSOK may refuse to accept any gas it deems harmful to its operations. Rejection of such gas by TRANSOK shall not affect KOK's lease payment obligation in the Agreement of Lease or the compensation provided herein.

J. At no time shall any gas delivered to TRANSOK for transportation hereunder be processed prior to delivery except through conventional mechanical field separation equipment, unless expressly agreed to in writing by TRANSOK. TRANSOK shall not withhold approval of the receipt of processed gas as long as such gas does not adversely affect TRANSOK'S current or future processing business or operations, whether performed by TRANSOK or third parties.

The gas delivered to the Primary Delivery Point hereunder shall: contain no more than five percent (5%) by volume of nitrogen, two percent (2%) by volume of carbon dioxide, one percent (1%) by volume of oxygen, and not less than 975 Btu per cubic foot, determined on a dry basis; and otherwise comply with paragraphs A., B., C., G., and H. of this Article 13.

TRANSOK TEM MAP

EXHIBIT "B"
Amendment II



LEGEND

- Processing Plants
- Pipeline Interties
- Leased Line Capacity
- Compressor Station
- P.S.O. Power Generation Station

Transok

P.O. BOX 3008 TULSA, OKLAHOMA 74101

(918) 583-1121

July 12, 1974

EXHIBIT "C"

(Intentionally Left Blank)

EXHIBIT "D"

<u>EFFECTIVE DATE:</u>	<u>ANNUALTY:</u>
6/1/1992	\$1,140,000
11/1/1995	\$1,319,700
11/1/1998	\$1,527,700
11/1/2002	\$1,856,900
11/1/2006	\$2,257,100

Exhibit "E"
Amendment IV

Category "A": Charge Equal to Transok's Posted General System Transportation Rate.

	<u>6/1/92</u>	<u>11/1/95</u>	<u>11/1/98</u>	<u>11/1/02</u>	<u>11/1/06</u>
Category "B":	\$.09	\$.12	\$.15	\$.16	\$.17
Category "C":	\$.065	\$.09	\$.12	\$.13	\$.14
Category "D":	\$.065	\$.085	\$.10	\$.11	\$.12

Category "E": Station #10376 - \$.09
 Station #04540 - \$.075
 Station #04542 - \$.075
 Station # 03005, 03007, 10417, 10454, 10529, 10573, 10579, 10580, 10581, 10588, 10590, 10607, - \$.12
 Station # 10586, 10604, 10625, 10626 - \$.16

Station #03286, 03337, 03338 - \$.115

Station #10379 - Rate is \$.115 for the First 5,000 MMBtu's per day with both Phillips and Transok receiving credit against volume commitments, volumes over 5,000 MMBtu's per day at \$.065 with no credit to Phillips.

Station # 10361 ^{NA} Summer Period - Category B
 Winter Period - Category C

Station # 04981 ^{DELHI/CUSTER} Summer Period - Category B
 Winter Period - Category C

Exhibit "E"
Amendment IV

ry A: All Receipt Points connected to Transok's
ional System not listed under categories B, C, D, or E

ry B:

<u>Station Number</u>	<u>Station Name</u>
00009	State of Oklahoma #1-1
00011	Sparks #1
00046	Dougherty & Welch Unit #1
00060	Brooksher #1-17
00071	Little #1-25
00072	J.C. Carrol #1
00073	Kuykendall #1-25
00082	Despain #1-19
00098	Lang #1-20
00100	Lucille #1-34
00132	Porter #2 DP
00134	TXO CDP #1
00186	Mobil Chitwood Plant
00190	B.I. Lubell
00224	Davidson #1 HP
00272	Jensen #1
00278	Anthony Unit #1
00281	Bashara #1
00283	Van Vliet #1
00285	Daman #1
00287	Shadid #1-16
00289	Hayter
00290	Horn
00291	Abbott
00292	Smith #1 (Natomas)
00293	Chester #1
00299	O. H. Hall
00515	McLain-Savage #1
00545	Nance #15-1
00605	J.D. Harper #1
00607	Frank Duncan #1
00615	Crain #1-7
00619	Butterfield #1
00622	Union City #A-1
00623	Union City #B-1
00625	Shadid #2-16
00627	Thomas Smith #1
00628	Goddard #1
00629	Niles Unit #1
00635	Smith #1 (ANR)
00636	Carpenter State #1
00643	Trexler #1
00654	Miser #1-6

MMBtu's
redit
tu's per

Exhibit "E"
Amendment IV

Category "A": Charge Equal to Transok's Posted General System Transportation Rate.

	<u>6/1/92</u>	<u>11/1/95</u>	<u>11/1/98</u>	<u>11/1/02</u>	<u>11/1/06</u>
Category "B":	\$.09	\$.12	\$.15	\$.16	\$.17
Category "C":	\$.065	\$.09	\$.12	\$.13	\$.14
Category "D":	\$.065	\$.085	\$.10	\$.11	\$.12

Category "E": Station #10376 - \$.09
 Station #04540 - \$.075
 Station #04542 - \$.075
 Station # 03005, 03007, 10417, 10454, 10529, 10573,
 10579, 10580, 10581, 10588, 10590, 10607, - \$.12
 Station # 10586, 10604, 10625, 10626 - \$.16

Station #03286, 03337, 03338 - \$.115

Station #10379 - Rate is \$.115 for the First 5,000 MMBtu's per day with both Phillips and Transok receiving credit against volume commitments, volumes over 5,000 MMBtu's per day at \$.065 with no credit to Phillips.

Station # 10361 ^{NA} Summer Period - Category B
 Winter Period - Category C

Station # 04981 ^{DELHI/CUSTER} Summer Period - Category B
 Winter Period - Category C

Exhibit "E"
Amendment IV

00664	BHP Petroleum CDP #1
00666	Bratton Unit #1
00671	Foster #1
00674	Hewitt #1 DP
00675	Blackburn #1-A
00676	Goodman #1
00703	Jacobs #1
00721	Canyon Camp #1
00723	Coates #1
00729	Baker #1
00747	Jonas #1-23
00750	Kamm #1
00755	Vance #1
00760	Thomason #1
00762	Bode #1-15
00781	Bolinger #22-1
00783	McDaniel #10-1
00812	Eisenhour #1
00824	Fedderson #B-1
00840	Erwin #1 (KP)
00844	Norvill B #1
00852	Peery #1
00853	McConnell A #1
00863	Hester #1
00865	Wilson #1
00867	Locke #1
00885	Neill #A-1
00903	Corder #1
00935	Fatco #1
00939	Russ Barger #1
00941	Burford #B-1
00949	Garrett #1
00951	Leese #1-7
00959	Norvill C #1
00967	Burford C #1
00985	Chiles A #1
00986	Maurer #2
00988	Ralph Jacobs #2
03033	Wheeler #1-6
03035	Kellogg LP
03042	Phillips Sooner Plant
03055	Monsees #1-6
03063	Fisher #1-11 LP-H
03066	Lydia #1LP (MS)
03069	Gould #1 (MS)
03070	Gould (Redfork)
03082	Federal #14-1
03095	Byfield #1-25
03101	Glaesline Briix #3
03158	Lucien DP
03159	State #36-1
03163	L. A. Wilcox #1-3
03170	Feikes #A-1
03171	Burghardt #1

Exhibit "E"
Amendment IV

03194	Clarence #1
03210	Wilcox-Parker #1
03211	Tidball #1 (Woods)
03212	Curtis (Woods)
03222	Lamle #1-30
03223	Lamle #1-32
03236	Paul Colby #1
03294	Rumsey A #1-25
03307	Atland #1-26
03318	Womack #1
03339	Schafer #A-1 CTO
03350	Schafer #A-2 CTO
03398	Schafer #2
03402	Oklahoma #1
03416	Harrall #1
03429	Connell #1 CTO
03432	Smola #1
03438	Mullins #1
03445	Schafer #B-3 CTO
03480	Stearns #2-11
03541	Groendyke #1-35
03564	Chapman #1
03574	Carmen #1
03607	Newman-Freed #1-34
03651	Ensminger-Freed #1
03669	Lloyd Scott #A-2
03690	H. H. Smith #1
03699	Collins #A-1
03803	Touchstone #1
03806	Meek #B-1
03819	Bailey #1-25 CTO
03832	Holsapple #1-19
03838	Stratton Farms #3-1
03840	Stratton Farms #10-1
03846	Cordum #12-1
03855	Stucker #1
03859	Moseley #25-1
03891	Newman #1-34
03914	Haman CDP #1
03932	Buckmaster Farms #1 DP
03941	Reinschmidt #1
03947	Sprowls #1-27
03948	Nellie Ann #1-29
03949	Robert #1-4
03951	Schou #1-21
03959	Summer #24-1
03960	Moseley #2-25
03963	Terrell #1
09044	Valero CDP #1
10002	Slawson CDP #1
10005	Roye Realty CDP #2
10009	E.C.C.E. CDP #1
10016	Schilling #1-29
10027	Moad #1-11

Exhibit "E"
Amendment IV

10030	Warren #1-25 CTO
10031	Branscomb #1-23
10041	Meek F #1-24 (DELHI)
10043	Carney #1-36
10140	Heriford #3-18
10162	Meek "F" #2-24
10163	Panda CDP #1
10174	Peters "H" #1-9 DP
10181	DELHI CDP #4
10198	Connors #16-3
10205	Groendyke DP
10216	E.L. Phippips #1-34
10230	Ward CDP #1 (McElumrry)
10232	Pittsburg Pipeline
10233	Gregory #1-34
10240	Peter "G" #1-3
10246	Berry #1-27
10248	Santa Fe Minerals CDP #3
10249	Stubbs #1-36 DP
10250	Nowka #1-23 DP
10254	J. M. Burleson "C"
10256	Maxwell #1-25 DP
10274	Okland Oil CDP #1
10275	Groendyke #1-26 DP
10295	Willywood #1-34
10312	Swift Energy CDP #1
10314	Lindsay #3 CDP
10320	Schenk
10331	Sanders #1-12 R.P.
10336	XAE CDP #1
10340	Wyatt #1-29
10357	Tivis #2 D.P.
10381	Wyatt #1-30
10388	Mistletoe
10409	Laramore 1-22
10419	Porter #5-4
10425	Porter #5-4 (Second Zone)
10465	Morse #1-36
10494	CDP Line #22
10528	Page #5-13

Category C:

04431	Enogex/Lequire
04441	Enogex/McCurtin
04515	ANGI-Stephens CDP #1
04623	ANR Caddo
09002	American Central CDP #4
10085	ONG/Bradley
10154	American Central CDP #3
10222	WNG-Line #1
10224	Arkla/Texoma
10255	NAGASCO CDP #2
10281	Mega CDP #10 (Stephens)

Exhibit "E"
Amendment IV

10282	Mega CDP #11 (Grady)	
10315	American Central CDP #5	
10346	Tex/Con Oil Line #3	
10350	Arkla-Pocasset Tie	
10376	NGC Ringwood Plant	5/1/92
10423	ONG-Eagle City	
10548	Anadarko (L-25) to Traditional (L-29)	7/1/93
10673	Moorewood Compressor	7/1/94

Category D:

04411	AMOCO Red Oak	
04416	AMOCO to line 23	
04418	Arco F&H	
04419	Anadarko CDP	
04420	AMOCO Panola	
04425	AMOCO Choctaw	
04450	Arkla Red Oak (by displacement only)	
10221	Mega CDP #8 (Red Oak)	
10358	Scott #2-M	
10385	Limestone Ridge	
10394	Reliance CDP #4	
10399	Arkla A-C (by displacement only)	
10406	VFW #1-29	

Category E:

03005	Freed #1	
03007	Johnson #1	
03286	Avant Delivery Point	10/1/94
03337	Phillips CDP #3, Wash. Co.	10/1/94
03338	Phillips CDP #1, N. Hominy	10/1/94
03817	Flesham-Freed #1	
04540	Reliance West CDP	
04542	Reliance East CDP	
10376	Ringwood Plant	
10379	Okarche Plant	
10417	Allen 113-11	
10453	Terry 1-34 H P	
10454	Terry 1-34 L P	
10529	Page #4-13	
10573	Dunn 1-26	
10579	Jessie 27-12	
10580	Cecil 27-4	
10581	Blerig 28-9	
10586	Leonard Gray 1-19	
10588	Thunderdome 2-1	
10590	Marlyn #33-9	
10604	Six Mile Creek	
10607	Campbell 21-10	
10625	Thunderdome 2-2	
10626	Dunn What 1-26	

Exhibit "E"
Amendment IV

10282	Mega CDP #11 (Grady)	
10315	American Central CDP #5	
10346	Tex/Con Oil Line #3	
10350	Arkla-Pocasset Tie	
10376	NGC Ringwood Plant	5/1/92
10423	ONG-Eagle City	
10548	Anadarko (L-25) to Traditional (L-29)	7/1/93
10673	Moorewood Compressor	7/1/94

Category D:

04411	AMOCO Red Oak	
04416	AMOCO to line 23	
04418	Arco F&H	
04419	Anadarko CDP	
04420	AMOCO Panola	
04425	AMOCO Choctaw	
04450	Arkla Red Oak (by displacement only)	
10221	Mega CDP #8 (Red Oak)	
10358	Scott #2-M	
10385	Limestone Ridge	
10394	Reliance CDP #4	
10399	Arkla A-C (by displacement only)	
10406	VFW #1-29	

Category E:

03005	Freed #1	
03007	Johnson #1	
03286	Avant Delivery Point	10/1/94
03337	Phillips CDP #3, Wash. Co.	10/1/94
03338	Phillips CDP #1, N. Hominy	10/1/94
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10529	Page #4-13	
10573	Dunn 1-26	
10579	Jessie 27-12	
10580	Cecil 27-4	
10581	Blerig 28-9	
10586	Leonard Gray 1-19	
10588	Thunderdome 2-1	
10590	Marlyn #33-9	
10604	Six Mile Creek	
10607	Campbell 21-10	
10625	Thunderdome 2-2	
10626	Dunn What 1-26	

EXHIBIT "F"

Any wellhead, pipeline or other point wherein gas is received
on pipeline contained on Exhibit "B," except: NONE

EXHIBIT "G"

Amendment II

PRIMARY DELIVERY POINT: Kansok, Pawnee County

SECONDARY DELIVERY
POINTS:

- o Arkla: Red Oak and A-C Line
- o Enogex: Cleveland
- o KN Energy: Custer
- o NGPL: Custer
- o NNG: Arapaho
- o PEPL: Beckham
- o Phillips: Seagas
- o WNG: Noble County
- o ANR: Custer
- o PEPL: Garfield
- o NGPL: Bryan
- o Black Marlin: Bryan
- o ONG: Grady
- o Delhi: Custer
- o Western Farmers: Custer
- o Ozark Wilber. I/C(10298901)



A COMPANY OF TEJAS GAS

TO ALL TRANSOK TRADITIONAL SHIPPERS

Due to the recent sale of the Ames gathering system to Cherokee Gas Processing, L.L.C. ("Cherokee"), operated by Heritage Gas Services, L.L.C., Transok will no longer be operating the system and therefore will not be able to accept nominations from the wells in this area effective December 1, 1996. A list of station names and numbers, along with the operator names, are listed on the attached. For information on the future operational procedures on Ames, please contact Rick Estes at Heritage, (918) 584-4277.

To: Gloria Saunders

From: Alice Okay

Crescent/Ames Active Wells

108	Mayfield	CROSS TIMBERS
118	OPPEL	UNIVERSAL RESOURCES CORP.
3004	Colby #1	SCANA PETROLEUM RESOURCES, INC.
3005	Freed	WARD PETROLEUM
3008	Dickman #1	PRIME OPERATING COMPANY
3007	Johnson	MUSTANG FUEL CORP OF OKLAHOMA
3008	Fisher 2-11	SAMSON RESOURCES
3012	Pollock #1	SAMSON RESOURCES
3020	Hepner 1-25	KIRKPATRICK
3025	Dwyer #1	SCANA PETROLEUM RESOURCES, INC.
3028	Boring #1	ONEOK RESOURCES COMPANY
3032	Hepner 1-3	KIRKPATRICK
3033	Wheeler 1-8	CONTINENTAL RESOURCES, INC.
3035	Kellogg	CONTINENTAL RESOURCES, INC.
3045	White	CRAWLEY PETROLEUM CORPORATION
3051	EVANS 1-18	BRISCOE OIL COMPANY
3052	Boring 1-22	SAMSON RESOURCES
3055	McIntosh 1-8	CONTINENTAL RESOURCES, INC.
3058	RENNER	UNIVERSAL RESOURCES CORP.
3060	BOECKMAN 1-8 (STUCK)	BECK PUMP & SUPPLY
3061	Colby #2	ONEOK RESOURCES COMPANY
3063	Fisher 1-11	SAMSON RESOURCES
3078	HALL	BOB & SON OIL COMPANY
3090	Gleson	EDWARDS & LEACH
3092	Federal 1-14	CONTINENTAL RESOURCES, INC.
3088	MEIER	UNIVERSAL RESOURCES CORP.
3094	LORENZ #1	G A W OIL CO.
3098	GLASSLINE #2	INDIAN OIL
3101	GLASSLINE #3	INDIAN OIL
3110	VOTH	G A W OIL CO.
3122	State	101 ENERGY CORP.
3180	LAWRENCE 30-1	BROWN & BORELLI, INC.
3133	CONNLEY TRUST	ALN RESOURCES CORP.
3148	MATTI 6-1	ALN RESOURCES CORP.
3158	Lucien Plant	GPM
3173	H. G. Dittmeyer	CONTINENTAL RESOURCES, INC.
3177	G. BARNARD "A"	DUNCAN OIL PROPERTY
3178	E. BARNARD	DUNCAN OIL PROPERTY
3182	GARRETT	DUNCAN OIL PROPERTY
3184	Clarence	NICOR PETROLEUM
3185	BARNARD "B"	DUNCAN OIL PROPERTY
3201	Martin	UNIVERSAL RESOURCES CORP.
3209	HIGBY	DUNCAN OIL PROPERTY
3224	Fordis 1-25	SAMSON RESOURCES
3225	Jantzen	SHELLY ENERGY, INC.
3227	Nicholson #1	SAMSON RESOURCES
3234	Nichols	UNIVERSAL RESOURCES CORP.
3238	Colby #1	FULLER PETROLEUM
3243	Hepner 2-3	KIRKPATRICK
3253	Boring 1-33	SAMSON RESOURCES
3258	TRINDLE G #1	ANSON
3271	CUNNINGHAM	SHAVER, TOM
3272	ESTHER #1	ANSON
3273	NADINE	ANSON
3275	ZUM-MALLEN	ANSON
3276	NADINE A-1	ANSON
3280	MUEGGENBORG	ANSON
3283	TRINDLE A-1	ANSON
3287	MCGRATH	ANSON

3280	Mehow 1-8	APACHE CORP.
3283	Pekarek 1-18	SAMSON RESOURCES
3286	BAMBERG	ANSON
3287	STUCKI	HORIZON NATURAL RESOURCES
3304	COPELAND	BLAIR OIL CO.
3306	SARAH POST	GEODYNE OPERATING CO.
3318	FLICKENGER	HODGDEN, JACK D.
3317	MCCANDLESS	NWM OPERATING
3347	Epp #1	CROSS TIMBERS
3357	Johannesmeyer	MARATHON OIL
3371	SMITH BROTHERS	ANSON
3373	WILMS CDP	NBI
3375	BERNICE	CORAL RESERVES
3442	SMITH #1	BOGO ENERGY CORP.
3553	Lindsey #1	EEC, INC.
3578	Loughbaum #1	KAISER-FRANCIS
3588	M. L. Phillips	CROSS TIMBERS
3607	Newman Freed	WARD PETROLEUM
3657	Weber Freed	WARD PETROLEUM
3810	Seelke 1-33	MUSTANG FUEL CORP OF OKLAHOMA
3817	Fleishman Freed	MUSTANG FUEL CORP OF OKLAHOMA
3833	COPELAND 1-23	BROWN & BORELLI, INC.
3835	Faye 35-A	RICKS EXPLORATION
3837	Westphal	PRIME OPERATING COMPANY
3831	Newman 1-34	WARD PETROLEUM
3896	Gould Federal	CROSS TIMBERS
3900	Bierig #2	ONEOK RESOURCES COMPANY
3901	Dwyer #2	SCANA PETROLEUM RESOURCES, INC.
3916	Laubach Del. Pt.	APACHE CORP.
3955	White 1-14	CONTINENTAL RESOURCES, INC.
4112	Ames 18	TRANSOK, INC.
4113	Line 8 Ames Yard	TRANSOK, INC.
4121	RED ROCK CDP	MUSTANG FUEL
10033	Bierig 2-33	SAMSON RESOURCES
10145	Reamer 2-33	UNIVERSAL RESOURCES CORP.
10185	Outlier Del. Pt.	TRIUMPH RESOURCES
10208	Thomas #32-8	L. DREYFUS
10238	Cont. Res. CDP #1	CONTINENTAL RESOURCES, INC.
10308	Cont. Res. CDP #2	CONTINENTAL RESOURCES, INC.
10367	Willa 3-25	UNIVERSAL RESOURCES CORP.
10368	Marguante 3-34	UNIVERSAL RESOURCES CORP.
10403	M. L. Phillips 1-A	SAMSON RESOURCES
10417	Allen 13-11	CRAWLEY PETROLEUM CORPORATION
10547	Cleora #1-1	L. O. WARD
10578	Jessie 27-12	DLB OIL & GAS, INC.
10581	Bierig 28-8	DLB OIL & GAS, INC.
10607	Campbell 21-10	DLB OIL & GAS, INC.
10611	Ditmeyer 28-1	TURNER RESOURCES, INC.
10612	Ratzliff 7-2	101 ENERGY CORP.
10619	Bland	DLB OIL & GAS, INC.
10632	WARREN DEL. PT.	TRIDENT
10638	WHITELOG #1	FAULCONER, INC. VERNON E.
10640	Rodman Plant Del.	TRIDENT
10641	Ames Yard Compressors	TRANSOK, INC.
10654	Carl 12-34	DLB OIL & GAS, INC.
10655	Gannon 1-34	DLB OIL & GAS, INC.
10655	Mackie 27-3	HAZELWOOD PROD. & EXPL. CO.
10666	Ames Crescent Crossover	TRANSOK, INC.
10688	Chestnut 13-16	DLB OIL & GAS, INC.
10675	FAULCONER CDP	FAULCONER, INC. VERNON E.
10680	Mack 2-28	DLB OIL & GAS, INC.
10688	KIEWER FUEL METER	TRANSOK, INC.
10702	KINGFISHER/CRESCENT C/OVER	TRANSOK, INC.
10708	Cont. Res. Redeliver	CONTINENTAL RESOURCES, INC.
10709	ALFRED 1-12	CONTINENTAL RESOURCES, INC.

10718	Chadron 1-26	CONTINENTAL RESOURCES, INC.
10719	Carolyn 1-8	CONTINENTAL RESOURCES, INC.
10720	Houk #1	CONTINENTAL RESOURCES, INC.
10727	Francis 1-33	KIRKPATRICK
10764	SENN FUEL METER	TRANSOK, INC.
10782	Gould Federal 3-21	CROSS TIMBERS
10793	Faye 5-16	DLB OIL & GAS, INC.
10848	DELLA WOLF	TRACE PETROLEUM
10874	SENN #1-26	TRACE OIL CO.
10875	LOYAL DISCHARGE	TRANSOK, INC.
10876	SENN SUCTION	TRANSOK, INC.
10881	Line 8/NGC Check Meter	TRANSOK, INC.
10882	MITCHELL #3-33	B.R.G. PETROLEUM, INC.
10890	BROWN #1-A	BUTTONWOOD PETROLEUM, INC.
18107	LOYAL FUEL METER	TRANSOK, INC.

ransok Lease Volumetric Line Segment Requirement Identification

Missouri Gas Energy

Summer *Up to the first 19,508 Dth, allowed to be Lines 7/8 and/or 23/24*

(Summer period May thru Oct)

Dth Nom Divd @ Pawnee	Up to 19,508 Req Min (= to 50%)	Total 7/8, 23/24 Req Min	Over 19,508			
			Dth Nom Divd @ Pawnee	Over 19,508 Line 7/8 Req Min	Line 23/24 or Line 7/8 Req Min	Total 7/8, 23/24 Req Min
19,508	9,754	9,754	43,893	12,193	8,535	20,727
19,000	9,500	9,500	43,000	11,746	8,222	19,968
18,500	9,250	9,250	42,000	11,246	7,872	19,118
18,000	9,000	9,000	41,000	10,746	7,522	18,268
17,500	8,750	8,750	40,000	10,246	7,172	17,418
17,000	8,500	8,500	39,000	9,746	6,822	16,568
16,500	8,250	8,250	38,000	9,246	6,472	15,718
16,000	8,000	8,000	37,000	8,746	6,122	14,868
15,500	7,750	7,750	36,000	8,246	5,772	14,018
15,000	7,500	7,500	35,000	7,746	5,422	13,168
14,500	7,250	7,250	34,000	7,246	5,072	12,318
14,000	7,000	7,000	33,000	6,746	4,722	11,468
13,500	6,750	6,750	32,000	6,246	4,372	10,618
13,000	6,500	6,500	31,000	5,746	4,022	9,768
12,500	6,250	6,250	30,000	5,246	3,672	8,918
12,000	6,000	6,000	29,000	4,746	3,322	8,068
11,500	5,750	5,750	28,000	4,246	2,972	7,218
11,000	5,500	5,500	27,000	3,746	2,622	6,368
10,500	5,250	5,250	26,000	3,246	2,272	5,518
10,000	5,000	5,000	25,000	2,746	1,922	4,668
9,500	4,750	4,750	24,000	2,246	1,572	3,818
9,000	4,500	4,500	23,000	1,746	1,222	2,968
8,500	4,250	4,250	22,000	1,246	872	2,118
8,000	4,000	4,000	21,000	746	522	1,268
7,500	3,750	3,750	20,000	246	172	418
7,000	3,500	3,500				
6,500	3,250	3,250				
6,000	3,000	3,000				
5,500	2,750	2,750				
5,000	2,500	2,500				
4,500	2,250	2,250				
4,000	2,000	2,000				
3,500	1,750	1,750				
3,000	1,500	1,500				
2,500	1,250	1,250				
2,000	1,000	1,000				
1,500	750	750				
1,000	500	500				
500	250	250				

Ansok Lease Volumetric Line Segment Requirement Identification

Missouri Gas Energy

Winter Maximum Authorized Volume is 43,893

(Winter period Nov thru Apr)

Up to 43,893			
Dth Nom	Up to 43,893	Line 23/24	Total
Divd @	Line 7/8	or Line 7/8	7/8, 23/24
Pawnee	Req Min	Req Min	Req Min
43,893	21,947	15,363	37,309
43,000	21,500	15,050	36,550
42,000	21,000	14,700	35,700
41,000	20,500	14,350	34,850
40,000	20,000	14,000	34,000
39,000	19,500	13,650	33,150
38,000	19,000	13,300	32,300
37,000	18,500	12,950	31,450
36,000	18,000	12,600	30,600
35,000	17,500	12,250	29,750
34,000	17,000	11,900	28,900
33,000	16,500	11,550	28,050
32,000	16,000	11,200	27,200
31,000	15,500	10,850	26,350
30,000	15,000	10,500	25,500
29,000	14,500	10,150	24,650
28,000	14,000	9,800	23,800
27,000	13,500	9,450	22,950
26,000	13,000	9,100	22,100
25,000	12,500	8,750	21,250
24,000	12,000	8,400	20,400
23,000	11,500	8,050	19,550
22,000	11,000	7,700	18,700
21,000	10,500	7,350	17,850
20,000	10,000	7,000	17,000
19,000	9,500	6,650	16,150
18,000	9,000	6,300	15,300
17,000	8,500	5,950	14,450
16,000	8,000	5,600	13,600
15,000	7,500	5,250	12,750
14,000	7,000	4,900	11,900
13,000	6,500	4,550	11,050
12,000	6,000	4,200	10,200
11,000	5,500	3,850	9,350
10,000	5,000	3,500	8,500
9,000	4,500	3,150	7,650
8,000	4,000	2,800	6,800
7,000	3,500	2,450	5,950
6,000	3,000	2,100	5,100
5,000	2,500	1,750	4,250
4,000	2,000	1,400	3,400