

PANTHER OFFSHORE GATHERING SYSTEMS, LLC

SOUTH PELTO SYSTEM POSTED PRICING SCHEDULE

Applying to the Transportation of
CRUDE PETROLEUM
(As Defined Herein)

This Pricing Schedule applies to the transportation of Crude Oil through Panther Offshore Gathering Systems, LLC South Pelto Pipeline originating in South Pelto Block 13 and terminating in South Timbalier Block 52 in federal waters, offshore Louisiana.

All transportation is subject to the requirements and provisions of this Posted Pricing Schedule as set out herein

Any of the provisions of this Pricing Schedule may be modified or changed prior to the first day of any calendar month without prior notice.

THIS POSTED PRICING SCHEDULE IS EFFECTIVE:

JULY 1, 2015

AND WILL REMAIN IN EFFECT UNTIL SUPERSEDED BY A REVISED PRICING SCHEDULE

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GENERAL:

A) All Crude Oil transported by Panther Offshore Gathering Systems, LLC ("TRANSPORTER") on its South Pelto System is delivered by TRANSPORTER to Chevron Pipe Line Company ("CPL") at the Chevron USA South Timbalier Platform 52A for further delivery by CPL to CPL's Fourchon Terminal. All volumes nominated and confirmed with TRANSPORTER must also be nominated and confirmed with CPL for transport from the Chevron USA South Timbalier Platform 52A to Fourchon Terminal.

B) Each month CPL will provide allocations of Crude Oil volumes by SHIPPER from its Fourchon Terminal back to the Receipt Point on TRANSPORTER's system. The volumes allocated to SHIPPER by CPL are deemed to be the volumes that were transported on SHIPPER'S behalf by TRANSPORTER for such month and the volumes upon which SHIPPER will be invoiced by TRANSPORTER.

C) TRANSPORTER will accept only Crude Petroleum as Defined herein and only for transportation to CPL at South Timbalier 52A, subject to the following conditions:

REQUIREMENTS AND CONDITIONS

1. Definitions

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

"Consignee" as used herein means an entity that has been authorized in writing to schedule with TRANSPORTER delivery of a specific amount of Crude Petroleum out of TRANSPORTER's system.

"Crude Petroleum" as used herein means the direct liquid products of oil wells, condensate or a mixture thereof from oil or gas wells located in the Southern Louisiana oil province (consisting of the Outer Continental Shelf, State and Federal waters, and onshore Gulf coast production) with a distillation range, quality and general characteristics typical of South Louisiana crude including a sulfur content of less than or equal to 0.5 percent by weight as determined by ASTM Method D4294 without centrifuge.

"Receipt" means the transfer from SHIPPER at origin to TRANSPORTER for transportation.

"SHIPPER" as used herein means the entity that originally nominates Crude Petroleum from a reception point listed in this tariff and is responsible to TRANSPORTER for all charges and obligations hereunder, except as otherwise noted.

"API" as used herein means American Petroleum Institute.

"ASTM" as used herein means American Society for Testing Materials.

2. Nominations

a) Crude Petroleum will be accepted for transportation only at such time as Crude Petroleum of the same quality and general characteristics is being transported.

b) Any SHIPPER desiring to nominate Crude Petroleum for transportation hereunder, shall on or before the 25th of the month file a nomination using the form attached hereto which includes the name of the SHIPPER, destination and Consignee if other than the SHIPPER, stating the quantity of Crude petroleum to be transported during the following month by TRANSPORTER.

c) The nomination will not be effective until it is confirmed by TRANSPORTER in writing through electronic communications, US Mail, or other acceptable means.

d) Nominations to CPL for the same volumes of Crude Oil to be received by CPL from TRANSPORTER at South Timbalier 52A and delivered to Fourchon Terminal must also be made and confirmed in order for the nomination to be confirmed by TRANSPORTER.

3. Quality of Crude Petroleum

Crude Petroleum accepted for transportation by the TRANSPORTER must be good merchantable oil of such viscosity, pour point and temperature as will permit its being freely handled and transported under conditions existing in the pipeline, and which is properly warranted. TRANSPORTER reserves the right to reject any Crude Petroleum containing more than one percent (1%) of basic sediment, water and other impurities, or having a Reid vapor pressure in excess of 12 pounds per square inch at 100 degrees Fahrenheit, or having pour point, viscosity, or other characteristics such that it will not be readily susceptible for transportation through TRANSPORTER's existing facilities, or which will materially affect or damage the quality of other shipments or cause disadvantage to other SHIPPER's and/or TRANSPORTER; or having an API gravity of less than 20 degrees. ***Notwithstanding the foregoing, Crude Oil will be accepted by TRANSPORTER if, and only if, the Crude Oil meets CPL's quality requirements, as they may change from time-to-time.***

4. Storage Facilities

The TRANSPORTER does not furnish storage facilities. TRANSPORTER's storage is only that necessary for the operation of the pipeline system.

5. Crude Petroleum Involved In Litigation

The TRANSPORTER shall have the right to reject any Crude Petroleum, when nominated for transportation which may be involved in litigation, or the title of which may be in dispute, or which may be encumbered by lien or charge of any kind. If TRANSPORTER has a reasonable basis to believe that such a situation exists, it will require of the SHIPPER satisfactory evidence of his perfect and unencumbered title or satisfactory indemnity to protect TRANSPORTER against any and all loss resulting from transporting Petroleum Products involved in litigation.

6. Gauging, Testing, and Deductions

- (a) Quantities for receiving, delivering, assessing charges and all other purposes will be corrected to a temperature of sixty degrees Fahrenheit, in accordance with the latest API/ASTM measurement standards, after deductions of impurities shown by tests prior to receipt and upon delivery.
- (b) Crude Petroleum quantities transported may be adjusted to allow for inherent losses including but not limited to shrinkage, evaporation, interface losses and normal over and short" losses. The loss adjustment will be made monthly on the basis of total quantities transported and shall be based on prior 3 years' actual historical loss experience, adjusted to actual at the end of the year.
- (c) The net quantities as determined under paragraphs (a) and (b) of this item will be the quantity deliverable.
- (d) Notwithstanding the preceding, the volumes transported and assumed delivered to CPL by Transporter will be the volumes allocated to SHIPPER by CPL from the Fourchon Terminal back to the Receipt Point. These allocations may take into account adjustments that are common in the crude pipeline industry including, but not limited to, gravity, BS&W, inherent

losses, and contaminants.

7. Mixing in Transit

Crude Petroleum will be accepted for transportation only on condition that it shall be subject to such changes in gravity, quality, or characteristics, while in transit or storage as may result from the mixture with other Crude Petroleum, and TRANSPORTER shall be under no obligation to make delivery of the identical Crude Petroleum received, but may make delivery out of common stream.

8. Origin Facilities Required

The SHIPPER shall provide such facilities as are necessary to deliver tendered Crude Petroleum to TRANSPORTER's existing facilities at such pressure and rates as will permit TRANSPORTER to transport the crude petroleum as scheduled.

9. Destination Facilities Required

TRANSPORTER may refuse to accept Crude Petroleum for transportation unless satisfactory evidence be furnished that the SHIPPER or Consignee has provided the necessary documentation of the actual receiving facility, for the prompt receiving of said Crude Petroleum at its destination.

10. Liability of Transporter

In case of loss of any Crude Petroleum, from any cause, after it has been received for transportation and before the same has been delivered to Consignee, the loss will be charged proportionately to each SHIPPER in the ratio that his Crude Petroleum, or portion thereof, received and undelivered at the time the loss occurs, bears to the total of all Crude Petroleum then in the custody of TRANSPORTER for transportation via the lines or other facilities in which the loss occurs; and TRANSPORTER will be obligated to deliver only that portion of such Crude Petroleum remaining after deducting SHIPPER's proportion of such loss determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.

11. Inventory Requirements

TRANSPORTER will require each SHIPPER to supply a prorata share of Crude Petroleum necessary for pipeline fill and working stock for efficient operation of TRANSPORTER's pipeline system prior to delivery. Crude Petroleum provided by a SHIPPER for this purpose may be withdrawn from the system only after shipments have ceased and if written notice to discontinue shipments in TRANSPORTER's system is received on or before the 25th day of the preceding calendar month.

12. Duty of Transporter

TRANSPORTER will receive and/or transport and deliver Crude Petroleum with reasonable diligence and dispatch. The SHIPPER or Consignee will be notified twenty-four (24) hours prior to the arrival of a shipment of Crude Petroleum and if the SHIPPER or Consignee is unable or refuses to receive the Crude Petroleum shipment as it arrives at destination, TRANSPORTER reserves the right to make whatever arrangements for disposition of the Crude Petroleum it deems appropriate in order to clear its pipeline. Any expense incurred by TRANSPORTER in making such arrangements shall be borne by the SHIPPER which charges are in addition to transportation charges accruing to SHIPPER.

13. Payment of Transportation and Other Charges

Transportation charges will be assessed and collected by TRANSPORTER at the rates in effect on the basis of the allocation made by CPL from the Fourchon Terminal to the SHIPPER Receipt Point.

The SHIPPER shall pay the transportation and all other charges applicable to the shipment, and, if required, shall prepay or guarantee the same before acceptance by TRANSPORTER, or pay the same before Delivery. TRANSPORTER shall have a lien on all Crude Petroleum in its possession belonging to the SHIPPER to secure the payment of all unpaid charges due by such SHIPPER, and may withhold such Crude Petroleum from Delivery until all of such unpaid charges shall have been paid.

If said charges remain unpaid five (5) days after notice of readiness for delivery, in the absence of unpaid charges, when there shall be failure to take the Crude Petroleum at the destination point as provided in these rules and regulations, TRANSPORTER may, by an agent, sell said Crude Petroleum at public auction for cash on any day not a Sunday or legal holiday, and not less than forty-eight (48) hours after publication of notice, in a daily newspaper, of the time and place of such sale and the quantity of Crude Petroleum to be sold. TRANSPORTER may be a bidder and purchaser at such sale. Out of the proceeds of said sale TRANSPORTER may pay itself all transportation and any other lawful charges, expense of notice, advertisement, sale, and other necessary expense, and of caring for and maintaining the Crude Petroleum, and the net balance shall be held without interest for whomsoever may be lawfully entitled thereto.

14. Apportionment when Nominations Are in Excess of Facilities

When there shall be nominated to TRANSPORTER for transportation, more Crude Petroleum than can be immediately transported, the transportation furnished by transporter shall be apportioned among all SHIPPER's in proportion to the amounts nominated by each, based on the capacity of the system. SHIPPER's will be required to submit nominations by the twenty-fifth (25th) of the month preceding the month of shipment and no nomination shall be considered beyond the amount which the party requesting shipment has readily assessable for shipment. If a SHIPPER fails to deliver for transportation during the month of shipment the volumes so nominated by it, its volumes for the succeeding month may be reduced by the amount of allocated throughput not utilized during the preceding month.

15. Notice of Claims

Claims for loss or damage must be made in writing to the TRANSPORTER within nine (9) months after delivery of the property, or in case of failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) ay after delivery of the property, or in case of a failure to make delivery, then within two (2) years and one (1) day after a reasonable time for delivery has elapsed; provided, however, that where claims have been duly filed with TRANSPORTER, suit must be brought within two (2) years and one (1) day after notice in writing is given by TRANSPORTER to the claimant that TRANSPORTER has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and TRANSPORTER will not be liable.

16. Connection Policy

Connections to TRANSPORTER's pipeline(s) will only be considered if made by formal written notification to TRANSPORTER and all requests will be subject to the following standards and conditions.

All connections will be subject to design requirements necessary to protect the safety, security, integrity and efficient operation of the TRANSPORTER's pipeline(s) in accordance with generally accepted industry standards. Acceptance of any request for connection will be subject to compliance with governmental regulations. All connections are subject to an executed Connection Agreement.

17. Credit-worthiness of Shippers

All prospective SHIPPER's must submit sufficient financial information to establish credit-worthiness. If a

potential SHIPPER is not credit-worthy or if SHIPPER's credit deteriorates, TRANSPORTER will require prepayment of tariff related charges and / or a letter of credit from an appropriate financial institution in acceptable form to TRANSPORTER.

18. Table of Transportation Rates

Transportation Rates

FROM	TO	RATE IN CENTS PER BARREL OF 42 UNITED STATES GALLONS
South Pelto Block 13 (Offshore Louisiana)	South Timbalier Block 52 (Offshore Louisiana)	260.00 350.00