

GATHERING INTERCONNECT AGREEMENT

THIS INTERCONNECT AGREEMENT ("Agreement") is entered into this ___ of _____, 20___, by and between **Company Name**, with an office located at 225 North Shore Drive, Pittsburgh, PA 15212-5861 (hereinafter referred to as "Gatherer"), and **Customer Name**, with an office at, **Customer Street, Customer City, Customer State, Customer Zip** (hereinafter referred to as "Customer"). As used in this Agreement, Gatherer and Customer are also referred to individually as a "Party" and collectively as the "Parties".

WHEREAS, Gatherer owns and operates certain natural gas gathering lines located in the State of **State** ;

WHEREAS, Customer has available certain supplies of natural gas which it desires to have delivered or received into Gatherer's system.

NOW THEREFORE, in consideration of the premises and covenants contained herein, Gatherer and Customer hereby agree as follows.

ARTICLE I DEFINITIONS

1.01 **Definitions.** For the purposes of this Agreement, the following terms, when capitalized herein, shall have the meanings set forth below:

- (a) **"Authorizations"** means any and all approvals, permits, licenses, franchises, or other authorizations required by any federal or state governmental authority which are necessary for the performance of a Party's obligations hereunder.
- (b) **"Btu"** means a British Thermal Unit.
- (c) **"Construction and Installation Fee"** means a fee charged to Customer for the actual time, labor, tools, materials, equipment and overhead expenses for the development, design and construction activities relative to completing the facilities contemplated by this Agreement.
- (d) **"Dekatherm"** shall mean one million (1,000,000) Btu's or one MMBtu.
- (e) **"Gas"** means a mixture of hydrocarbon and non hydrocarbon gases.
- (f) **"Interconnect"** means the point(s) of interconnection between the Customer and the Gatherer as set forth in the Appendices attached hereto as amended from time-to-time.
- (g) **"MMBtu"** shall mean one million (1,000,000) Btu's or one Dekatherm.

ARTICLE II GENERAL REPRESENTATIONS AND WARRANTIES

2.01 **General Representations and Warranties.** Customer makes the following general representations and warranties:

- (a) Customer is duly organized, validly existing, and in good standing under the laws of the state in which it is organized and/or has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder;
- (b) Customer holds all necessary corporate authorizations and by the execution and delivery of this Agreement will not violate its Articles of Incorporation or any applicable laws or regulations;
- (c) There is no litigation, investigation, administrative proceeding or other action existing, pending, or threatened that would materially adversely affect the ability of Customer to fulfill its obligations under this Agreement; and
- (d) Customer's signatories possess authority to execute this Agreement such that a legal, valid, and binding obligation enforceable against Customer is created.

ARTICLE III PURPOSE AND PROCEDURES FOR DESIGN, APPROVAL, INSTALLATION AND ACTIVATION OF FACILITIES

3.01 **Agreement.** This Agreement establishes the general terms and conditions under which Customer and Gatherer will provide for the proper design, installation, operation, and maintenance and cost responsibility of an Interconnect for the receipt of Gas into Gatherer's system. Neither Customer nor Gatherer shall flow natural gas through the Interconnect until such time as this Agreement and the required Appendices are fully executed.

3.02 **Base Agreement.** Customer and Gatherer may utilize this Agreement as a vehicle for establishing multiple Interconnects between the Gatherer's system and Customer's facilities. The specifications for each individual Interconnect will be established in separate appendices (hereinafter "Appendix" or "Appendices").

3.03 **Application.** Customer shall provide accurate information to Gatherer in conjunction with any request for a proposed Interconnect which shall include (i) the location of the proposed Interconnect, (ii) the proposed maximum allowable operating pressure of the Interconnect, (iii) the desired date for completion of the Interconnect, (iv) the Customer's estimated maximum, minimum and average amount of gas to be delivered through the Interconnect on a daily basis and (v) the Customer's estimated maximum, minimum and average delivery/receipt pressure through the Interconnect.

3.04 **Design Specifications.** Customer shall submit to Gatherer complete design specifications for the proposed Interconnect prior to construction of any facilities. Customer agrees to make those changes to such design and construction plans as Gatherer, in its reasonable discretion, believes are necessary for the safe and reliable delivery of gas into Gatherer's facilities. If the proposed Interconnect is approved, the Gatherer shall respond in writing as to the acceptability of the detailed design by returning one set of drawings noted as "APPROVED". If the proposed Interconnect request is initially denied but could be approved with modifications to the design of the Interconnect Facilities, Gatherer shall provide recommendations to Customer.

3.05 **Installation.** Scheduling of installation must be coordinated with the Gatherer. No construction shall commence until Customer has satisfied all of its prerequisite obligations under this Agreement and Gatherer has notified Customer, in writing, that construction may commence.

3.06 **Activation of Facilities.** Activation of the Interconnect shall be contingent upon readiness of Gatherer's gas control department as well as completion of installation as specified and agreed upon by and between Gatherer and Customer.

ARTICLE IV INTERCONNECT FACILITIES

4.01 **Interconnect Facilities.** The Interconnect shall be comprised of equipment which includes (i) gas measurement equipment, (ii) overpressure protection, (lii) certain interconnect piping facilities including a check valve and an insulated/welded tie-in connection and (viii) such other facilities as may be required by the Gatherer (collectively "Interconnect Facilities") at the interconnection between Customer's and Gatherer's facilities. The Interconnect Facilities shall be designed, installed, operated, maintained and owned by Gatherer, Customer or Customer's designee as set forth in Appendix A. The minimum engineering and technical specifications for the Interconnect Facilities are further detailed in Appendix B. All costs associated with the Interconnect Facilities shall be the Customer's responsibility, unless waived by Gatherer, and any such costs paid by Gatherer shall be reimbursed by Customer through the Construction and Installation Fee.

4.02 **Debris and Obstructions.** Customer's facilities shall be cleared of all debris and obstructions before they are connected to Gatherer's facilities.

4.03 **Maintenance and Identification.** Customer is responsible, and shall assume the initial costs, for landscaping, sign posting, painting, and final, post-construction cleanup at and around the Interconnect Facilities. A meter set identification sign shall be posted at each location. The sign shall, at a minimum, list the name of the Customer, the telephone number (including area code) where the Interconnect operator can be reached at all times, and the Customer's address.

4.04 **As-built Drawings.** Customer shall develop an "as-built" location drawing of the Interconnect Facilities. For Receipt Points the "as-built" drawing shall include all facilities from the inlet side of the gas measurement facilities to the tie-in with Gatherer's pipeline facilities. For Delivery Points the "as-built" drawing shall include all facilities from the tie-in with the Gatherer's pipeline facilities to the outlet side of the gas measurement facilities. This detailed drawing shall include centerline measurements, valve, regulator, meter identification, pipe size(s) and type(s), and telemetering details. Customer shall provide a copy of this drawing (AutoCAD format) to the Gatherer for review and approval prior to activation of Interconnect Facilities.

4.05 **Telemetry.** The electronic gas measurement and communications equipment installed as part of the Interconnect Facilities shall include equipment for monitoring, recording, and transferring data deemed essential by Gatherer. Customer shall acquire, install and pay the on-going operating expense for the electronic gas measurement and communications equipment to provide Gatherer, at a minimum, real-time information related to pressure, temperature, gas flow and gas quality (i.e., chromatograph). Gatherer shall specify the type of equipment to be provided by Customer.

ARTICLE V GATHERER'S FACILITIES

5.01 **Gatherer's Facilities.** Gatherer shall own, and Gatherer or its designee shall design, install, operate and maintain, a tap and side valve connecting Gatherer's facilities to the Interconnect Facilities as more specifically described in the Appendices. The Interconnect Facilities shall extend to within three feet (3') of the Gatherer's line unless otherwise approved by Gatherer.

ARTICLE VI INTERCONNECTION OPERATIONS

6.01 **Commencement of Operation.** Customer shall notify Gatherer, in writing, when the Interconnect is complete, tested and ready for activation. Unless otherwise indicated, receipts and/or deliveries of Gas at the Interconnect may commence as soon as all Authorizations have been granted, the necessary facilities have been constructed, the requisite documents have been submitted and Customer has satisfied the terms and conditions of this Agreement. Gatherer shall be responsible for the coordination, installation, testing, and physical final tie-in to the Gatherer's system. Gatherer shall develop, coordinate, and

oversee all operations associated with purging the meter set and piping into service. All such tie-in activities shall be the Gatherer's responsibility, unless waived by Gatherer, and any such costs paid by Gatherer shall be reimbursed by Customer through the Construction and Installation Fee.

6.02 **Gathering Obligations.** Gatherer will receive natural gas from Customer, or deliver natural gas to Customer, as the case may be, at the Interconnect, provided that all parties utilizing the Interconnect, including Customer, if applicable, have entered into valid gathering agreements with Gatherer.

6.03 **Environmental Responsibility.** Each Party represents that no hazardous substance as that term is defined in the Federal Comprehensive Environmental Response Compensation Liability Act (CERCLA), petroleum or petroleum products, "asbestos material" as that term is defined in 40 CFR 61.41 (1987), polychlorinated biphenyls (PCBs), or "solid waste" as that term is defined in the Federal Resource Conservation Recovery Act (RCRA), will be leaked, spilled, deposited or otherwise released by either Party on the other Party's property. In the event that any of said above referenced materials are discovered on said property, each Party shall immediately notify the other Party of the discovery and existence of said materials. In the event of either Party's breach of the representations contained in this section, the full responsibility for the handling, remediation, treatment, storage or disposal of any such hazardous substance, petroleum or petroleum product, asbestos material, PCBs or solid waste discovered on said property, including the handling of such materials in compliance with all environmental laws including federal, state and local laws, rules and regulations, shall remain with such Party and such Party shall indemnify the other Party for any loss, injury, theft, damage to persons or property, or fines, penalties or compliance order issued by any governmental agency relating to pollution or protection of the environment including without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, waste petroleum, toxic substances and hazardous substances occurring on said property. This section shall survive the termination of this Agreement.

6.04 **Facility Improvements.** Gatherer retains the unilateral right to change the operations of its facilities and/or upgrade its system. Such operational changes may require the adjustment and/or addition of equipment and facilities by the Customer in order to maintain delivery of gas volumes. The cost of any such adjustment and/or addition of equipment and facilities requirements will be borne entirely by the Customer.

6.05 **Shut In.** Gatherer retains the unilateral right to immediately shut in or cause Customer to shut in any Interconnect which, in the Gatherer's sole judgment, threatens the integrity and safe operation of Gatherer's system.

6.06 **Notice of Repairs.** The Gatherer shall be notified of any and all repairs or changes to the Interconnect facilities. Customer shall advise Gatherer in writing at least fifteen calendar (15) days before taking the Interconnect Facilities out of service for repairs for more than seven calendar (7) days. After Customer has completed all repairs, Customer shall immediately reconnect the Interconnect Facilities to Gatherer's system and resume service, subject to ten (10) days' advance notification to Gatherer.

6.07 **Facilities Abandonment.** In the event Gatherer should ever abandon, retire or cease to operate, in whole or in part, facilities used to gather Gas, Gatherer may, in its sole discretion, and without further obligation, terminate this Agreement upon at least sixty (60) days' written notice to Customer.

ARTICLE VII **TERM**

7.01 **Term.** This Agreement shall become effective upon its execution by both Gatherer and Customer and continue in full force and effect for a period of one (1) year ("Primary Term"). Unless terminated by either Party at least thirty (30) days prior to the end of the Primary Term or any subsequent renewal term, this Agreement shall continue on a month-to-month basis. The obligations of Customer to indemnify Gatherer pursuant hereto shall survive the termination or cancellation of this Agreement and the Appendices.

7.02 **Low Volume.** Gatherer shall have the right to terminate this Agreement upon sixty (60) days advance written notice to Customer if Gas has not flowed for the previous period of twelve (12) consecutive months, or if Gatherer or its designee has caused the Interconnect Facilities to be disconnected or removed.

7.03 **Disconnection.** In the event either Party desires to disconnect its facilities from the other, the initiating Party shall tender not less than sixty (60) days advance written notice to the other Party of such intent, and upon such disconnection of facilities, this Agreement shall terminate with respect to such Interconnect. The Parties agree that such disconnection shall not occur during the Primary Term, unless agreed to by both Parties or mandated by governmental action. Each Party shall be responsible for all costs of abandonment and/or removal of their respective facilities. Any disconnection shall be in accordance with the requirements of any regulatory agency having jurisdiction.

ARTICLE VIII **BILLING AND PAYMENT**

8.01 **Quantities Deemed Conclusive.** Gatherer's statement of the total quantity of Gas received by or delivered to the Customer during any month shall be deemed conclusive unless Customer forwards an objection to Gatherer in writing within sixty (60) days after the receipt of Gatherer's statement.

8.02 **Withholding Payments.** In the event of any adverse claim to or against the proceeds of this Agreement or any Gas transported under this Agreement, or any part thereof, or against the proceeds of any other contract that Gatherer has with

Customer, is made by any person, Gatherer may refuse to receive or deliver Gas under this Agreement, as the case may be, until the dispute is settled by agreement between Customer and such adverse claimant or by a final decree of a court of competent jurisdiction.

ARTICLE IX OPERATIONAL COSTS TO BE BORNE BY CUSTOMER

9.01 **Gas Quality and Monitoring Costs.** Customer shall be solely responsible for all costs and charges associated with monitoring, ensuring and maintaining the quality of Gas delivered into Gatherer's system and all costs associated with quality remediation. Gatherer shall have access to facilities and all devices and shall have the right, but not the obligation, to operate such facilities and devices.

9.02 **Customer Facilities Costs.** Customer shall be solely responsible for all costs and charges associated with monitoring, ensuring and maintaining the safe and reliable operation of pipeline, measurement, compression, regulation, dehydration and any other appurtenant facilities, which are upstream of the Interconnect Facilities. Gatherer reserves the right to refuse receipts and/or deliveries through the Interconnect if Gatherer, in its sole judgment, deems the operation of these facilities to be unacceptable.

ARTICLE X FAILURE TO PERFORM

10.01 **Suspension.** If Customer fails to comply with any of the covenants contained in this Agreement, Gatherer may refuse to allow Gas to flow through the Interconnect until in Gatherer's sole opinion, Customer is fully complying with all of the terms and conditions of this Agreement. Gatherer, in its sole judgment, shall have the right to shut-in the Interconnect immediately if equipment is not operating properly, an overpressure condition exists, design limitations are exceeded, or safe operating conditions are compromised. Furthermore, Gatherer has the right to keep the Interconnect shut-in until the Customer makes the necessary provisions to rectify the situation. If the abnormal conditions repeatedly arise, Gatherer has the right to shut-in the Interconnect indefinitely, and/or terminate this Agreement.

If, in Gatherer's judgment, the Customer has tampered with the measurement equipment so as to misrepresent the actual volume of gas delivered through the Interconnect, Gatherer has the right to immediately shut-in the Interconnect. The Interconnect will remain shut-in until Gatherer and Customer reach an agreement as to the most accurate volume of gas delivered during the period in question. If Gatherer determines that measurement equipment has been tampered with, Gatherer has the right to shut-in the Interconnect indefinitely and terminate this and any other Agreement(s) with Customer.

Customer shall reimburse Gatherer for any damages caused by Customer failing to comply with any of the covenants contained in this Agreement, including payments made by Gatherer to other affected customers in settlement of claims arising out of such service. To the extent any damages required to be paid hereunder are liquidated, the parties acknowledge that the damages are difficult or impossible to determine, otherwise obtaining an adequate remedy is inconvenient and the liquidated damages constitute a reasonable approximation of the harm or loss.

If litigation results from any dispute between Customer and Gatherer, Gatherer may pay any money withheld under this Agreement to a court of competent jurisdiction without any further liability, or may interplead all claimants, including Customer. The non-prevailing party shall pay the prevailing party all costs associated with the litigation.

10.02 **Damages.** IN NO EVENT WILL EITHER PARTY BE RESPONSIBLE, EITHER UNDER THIS ARTICLE IX OR UNDER ANY OTHER TERM OR PROVISION OF THIS AGREEMENT, FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

10.03 **Indemnity.** Customer agrees to indemnify, hold harmless and provide a defense for Gatherer, its officers, directors, affiliates, agents, employees and contractors against any liability, loss or damage whatsoever (including, without limitation, claims for royalties, taxes, fees or other charges) occurring in connection with or relating in any way to (i) breach of this Agreement by Customer; (ii) the negligence or other tortious act(s) or omission(s) by Customer, its officers, directors, affiliates, agents, employees or contractors; (iii) the Gas prior to its delivery to Gatherer at the Interconnect; and/or (iv) the Gas to the extent the claim, liability, or damage arises as a result of the quality of the Gas delivered by Customer or other condition of the Gas. Such indemnification shall include, but not be limited to, all costs and attorneys' fees, whether or not such liability, loss or damage results from any demand, claim, action, cause of action, or suit brought by Customer or by any person, association or entity, public or private, that is not a party to this Agreement.

ARTICLE XI PRESSURE, GAS QUALITY AND HEATING VALUE

11.01 **Regulation.** Gatherer may require regulation and shall require over-pressure protection at the receipt point(s) under this Agreement. Such regulation shall deliver pressures suitable to pressures in Gatherer's system. Gatherer shall specify and/or approve the type of regulators to be used and shall specify, pressure ranges, and operating settings. All cost associated with such equipment, including installation costs, shall be the Customer's responsibility and any such costs paid by Gatherer shall be reimbursed by Customer through the Construction and Installation Fee.

11.02 **Compression.** Customer shall not use any mechanical means or accessory equipment to pump or compress Gas to aid its delivery into Gatherer's system without the express written consent of Gatherer. Customers utilizing compression upstream of the meter set shall meet, at a minimum, the following safety criteria:

Compressor units must have low-pressure shutdown controls on the suction of the compressors to preclude drawing air into the system. If the Customer desires to operate the suction system with less than a two (2) psig minimum inlet pressure, an oxygen sensor shall be installed on the inlet of the suction line so as to automatically shut down the system when oxygen is detected at levels above two thousand (2,000) parts per million (0.2%).

11.03 **Pressure in Gatherer's System.** Gatherer makes no representations concerning the pressure which will be maintained in its pipeline system from time-to-time or any other factors which may affect the quantity of Gas which Customer may be able to deliver to Gatherer. Gatherer has the right to upgrade, when necessary, pipeline operating pressures with no obligation to Customer other than providing notification of such matters.

11.04 **Gas Quality.** All gas delivered through an Interconnect into Gatherer's system shall at all times meet or exceed the quality and heat content requirements established by the operator of the downstream pipeline system on which the gas is ultimately transported. Before Gatherer permits any flow of any amount of gas into its system, Customer shall provide Gatherer with a certified gas analysis from a Gatherer-approved agency denoting that the gas proposed to be delivered into Gatherer's system meets and/or exceeds those requirements.

11.05 **Temperature.** Gas delivered through an Interconnect into Gatherer's system shall not exceed 100° F. Gas having a temperature greater than 100° F may be delivered into Gatherer's system only upon prior written approval by Gatherer.

11.06 **Monitoring.** After initial deliveries are received, Gatherer reserves the right to periodically sample gas, or require Customer to acquire and install continuous, on-line monitoring equipment, at the facility in order to validate the gas quality. If the analysis indicates that Gatherer gas quality specifications are not met, Gatherer has the right to shut off the deliveries indefinitely until the Customer makes the necessary provisions to fully comply with the gas quality requirements and/or penalize Customer for non-conformance of this requirement.

11.07 **Gas Taken and Co-mingled.** Gatherer shall accept Gas taken and measured at the Interconnect in accordance with this Agreement. Such Gas shall be taken in its natural state, except as otherwise provided in this Agreement, subject to any modification thereof required by this Agreement, at the pressure of the Gas flowing from Customer's facilities and discharging into Gatherer's system, against the varying pressures from time to time maintained therein.

ARTICLE XII MEASUREMENT FACILITIES

12.01 **Measurement Facilities.** Gas delivered to or received from Gatherer's system through the Interconnect shall be measured at a site satisfactory to Gatherer using measurement equipment designated by Gatherer. The Parties acknowledge that all or some of the measurement and other appurtenant facilities required by this Agreement may not be in existence as of the date of execution of this Agreement. If the facilities required by this Agreement are not in existence as of the date of execution of this Agreement, the Parties shall work in good faith to install such facilities within ninety (90) days, or such other period as may be agreed to by the Parties in writing. The measurement facilities shall be read by Gatherer. The measurement facilities shall be designed, installed, operated, maintained and owned by (i) Gatherer, (ii) Customer or (iii) Customer's designee as set forth in the Appendices. At any time after the termination of this Agreement, Gatherer shall have the right to remove its facilities. Customer shall be solely responsible for and shall bear the full costs of delivering Gas to the Interconnect.

12.02 **Pipeline Safety.** Customer agrees to operate, maintain, test, and repair the meter set as a prudent operator in accordance with any and all applicable state regulatory regulations and requirements, and all other applicable industry codes and standards at Customer's expense.

12.03 **Measurement Site Access.** Customer shall provide Gatherer with the necessary rights-of-way, permits, and related surface rights including the rights of ingress, egress and regress necessary to access the Interconnect Facilities. Customer shall also provide, if required, a right-of-way necessary for the tie-in of the Interconnect Facilities to Gatherer's facilities that is free of all costs and from all claims and liabilities for damages arising out of installation or the construction of the facility. Customer and Gatherer must agree beforehand to the location of the meter set and final tie-in location. The meter set shall be readily accessible, located in an area that is not susceptible to vehicular or other damage but as near as practical to the final tie-in point, and be enclosed within a locked fence or building. All costs associated with Customer's obligations under this section shall be the Customer's responsibility and any such costs paid by Gatherer shall be reimbursed by Customer through the Construction and Installation Fee. To the extent that Gatherer is at any time required to pay for such rights-of-way or such costs or claims or liabilities, then such amounts and related expenses shall be reimbursed by Customer.

12.04 **Check Measurement.** Customer may install, maintain and operate, at its sole cost and expense, check measuring equipment; provided, however, that such equipment shall be installed in a manner that will not interfere with the operation of the measuring equipment required by this Agreement. Orifice Meters. Orifice meters installed in such measuring stations shall be constructed and operated in accordance with American National Standard Institute ("ANSI") standards, American Petroleum Institute ("API") 2530, American Gas Association ("AGA") AGA Report No. 3, Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids, Second Edition, dated September 1985, and any subsequent modifications and amendments thereto.

12.05 **Positive Displacement Meters.** Positive Displacement Meters installed at the measurement site shall be constructed and operated in accordance with provisions of AGA Measurement Committee Report No. 6 (AGA Report No. 6) dated January 1971, and any subsequent amendment or revisions thereto.

12.06 **Turbine Meters.** Turbine Meters installed at the measurement site shall be constructed and operated in accordance with the provisions of AGA Measurement Committee Report No. 7 (AGA Report No. 7), First Revision, dated November 1984, and any subsequent modifications and amendments thereto.

12.07 **Ultrasonic Meters.** Ultrasonic Meters installed at the measurement site shall be constructed and operated in accordance with the provisions of AGA Measurement Committee Report No. 9 (AGA Report No. 9), dated June 1998 and any subsequent modifications and amendments thereto.

12.08 **Electronics.** When and where electronic equipment and flow computers are installed at the measurement site, the Gas may have its volume, mass and/or energy content determined and computed in accordance with the applicable industry standards including, but not limited to, API 21.1, AGA Report Nos. 3, 5, 6, and 7 and any subsequent modifications and amendments thereto.

12.09 **Notice.** Gatherer shall give reasonable notice to Customer in order that Customer may have representatives present to observe any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting of Gatherer's measuring equipment used in measuring or checking the measurement of receipts or deliveries of Gas under this Agreement. The official charts (recordings) or electronic data from such measuring equipment shall remain the property of Gatherer, but upon request Gatherer will make the records and charts, together with calculations therefrom, available to Customer for inspection and verification.

12.10 **Testing and Calibration:**

- (a) Gatherer shall have the right, at any time, to verify the accuracy of and to adjust and calibrate all recording devices used in the measurement of Gas hereunder. Customer may request a special test be performed as described in Paragraph 11.11 below.
- (b) If during any test of the measuring equipment, an adjustment or calibration error is found which results in an incremental adjustment to the calculated hourly flow rate through each meter run in excess of two percent (2%) of the correct flow rate (whether positive or negative and using the correct flow rate as the percent error equation denominator), then any previous recording of such equipment shall be corrected to zero error in computing deliveries for any period during which the error existed (and which is either known definitely or agreed to by both parties) and the total flow for the period predetermined in accordance with the provisions of Paragraph 11.12 below. If the period of error cannot be determined or agreed upon between the parties, such correction shall be made over a period extending over the last one-half (1/2) of the time elapsed since the date of the latest test, not exceeding a correction period of six (6) months.
- (c) If, during any test of the measuring equipment, an adjustment or calibration error is found which results in an incremental adjustment to the calculated hourly flow rate which does not exceed two percent (2%) of the adjusted flow rate (as described in part (b) of this Paragraph), all prior recording shall be considered to be accurate for quantity determination purposes.
- (d) All equipment shall, in any case, be adjusted at the time of the test to record correctly.

12.11 **Special Test.** In the event Customer desires a special test (a test not scheduled by Gatherer under the provisions of Paragraph 11.10 above) of any measuring equipment, seventy-two (72) hours advance notice, in writing, shall be given to Gatherer and both parties shall cooperate to secure a prompt test of the accuracy of such equipment. If the measuring equipment tested is found to fall under the provisions of Paragraph 11.10(c) above or if an inspection of the primary measurement equipment indicates no problems, Gatherer shall have the right to bill Customer for the cost of such special test including any labor, gathering and other costs pertaining to such special test and Customer shall pay such costs.

12.12 **Measuring Adjustment.** If, for any reason, any measurement equipment is (i) out of adjustment, (ii) out of service, or (iii) out of repair and the total calculated hourly flow rate through each meter run is found to be in error by an amount of the magnitude described in Paragraph 11.10(b) above, the total quantity of Gas delivered shall be determined by Gatherer in accordance with the first of the following methods which is, in Gatherer's sole opinion, feasible:

- (a) by using the registration of any mutually agreeable check metering facility, if installed and accurately registering (subject to testing as described in Paragraph 11.10 above);
- (b) where parallel multiple meter runs exist, by calculation using the registration of such parallel meter runs; provided that they are measuring Gas from upstream and downstream headers in common with the faulty metering equipment, are not controlled by separate regulators, and are accurately registering;
- (c) by correcting the error by re-reading of the official charts, or by straightforward application of a correction factor to the quantities recorded for the period (if the net percentage of error is ascertainable by calibration, tests or mathematical calculation); or
- (d) by estimating the quantity, based upon deliveries made during periods of similar conditions when the meter was registering accurately.

The estimated readings or deliveries so determined shall be used in determining the quantities of gas delivered for any known or agreed upon applicable period. In case the period is not known or agreed upon, such estimated deliveries shall be used in determining the quantities of Gas delivered hereunder during the latter half of the period from the date of the immediately preceding test to the date the measuring equipment has been adjusted to record accurately. The recordings of the measuring equipment during the first half of said period shall be considered accurate in computing deliveries.

12.13 **Measurement Corrections.** If an error is discovered in the measured quantities, such error shall be adjusted within thirty (30) days of the determination thereof; provided, however, that any claim for adjustment shall be made within twenty-four (24) months of the production month in which the claimed error occurred. Such time limits shall not apply in the case of a deliberate act of omission or misrepresentation, or mutual mistake of fact.

12.14 **Termination.** If Gatherer determines that Customer has tampered with the measurement equipment so as to misrepresent the actual volume of gas delivered through the Interconnect, Gatherer has the right to immediately shut-in the Interconnect for an indefinite period of time and may terminate this and any other Agreement(s) with Customer.

12.15 **Data and Records Retention.** Gatherer and Customer shall retain and preserve for a period of at least two (2) years all measurement data, charts, and other similar records.

12.16 **Volume and Quality Determination.** The measurement of the quantity and quality of all Gas received and delivered hereunder shall be conducted in accordance with the following:

- (a) **Unit of Volume.** The unit of volume for measurement shall be one (1) cubic foot of gas. Such measured volumes, converted to Mcf, shall be multiplied by their Gross Heating Value per cubic foot and divided by 1,000 to determine MMBtus received and delivered hereunder.
- (b) **Orifice Meter Volume Computations.** Computations of Gas Volumes from measurement data shall be made in accordance with ANSI/API2530 (AGA Report No. 3), Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids, Second Edition, dated September 1985, and any subsequent amendments or revisions.
- (c) **Positive Displacement Meter Volume Computation.** Computation of Gas Volumes from data shall be in accordance with the AGA Measurement Committee Report No. 6 (AGA Report 6), dated January 1971, and any subsequent amendments or revisions.
- (d) **Turbine Meter Volume Computations.** Computations of Gas Volumes from data shall be in accordance with AGA Measurement Committee Report No. 7 (AGA Report 7), First Revisions, dated November 1984, and any subsequent amendments or revisions.
- (e) **Ultrasonic Meter Volume Computations.** Computations of Gas Volumes from data shall be in accordance with AGA Measurement Committee Report No. 9 (AGA Report 9), dated June 1998, and any subsequent amendments or revisions.
- (f) **Electronic Devices and Flow Computers Volume Computations.** Computation of Gas Volumes from data or devices shall be in accordance with API 21.1, AGA Measurement Committee Report Nos. 3, 5, 6, and 7 and any subsequent amendments or revisions.
- (g) **Assumed Atmospheric Pressure.** An assumed atmospheric pressure for the respective Interconnect shall be utilized for measurement and calculation purposes, irrespective of any variation of the actual atmospheric pressure from the assumed atmospheric pressure.
- (h) **Gross Heating Value.** At least yearly, the Gross Heating Value of the gas stream at each of the Interconnects hereunder shall be determined by calculating the Gross Heating Value from an in-line chromatograph or a gas analysis of a spot or continuous gas sample. The spot or continuous sample shall be taken at a suitable point on the facilities to be representative of the Gas being analyzed.
- (i) **Other Tests.** Other tests to determine water content, sulfur, and other impurities in the Gas shall be conducted by Gatherer as necessary and shall be conducted in accordance with standard industry testing procedures.
- (j) **New Test Methods.** If at any time during the term hereof a new method or technique is developed with respect to gas measurement, such new method or technique may be substituted for the method set forth in this Article when such methods or techniques are in accordance with the currently accepted standards of the American Gas Association, if mutually agreed upon by the parties.

12.17 **Right of Inspections.** Gatherer or Customer shall have the right to inspect equipment installed or furnished by the other or third party operators and the charts and other measurement or testing data of all such parties at all times during business hours; but the reading, calibration and adjustment of such equipment and changing of charts shall be done by Gatherer, or its designee, unless agreed to otherwise by the parties. Gatherer and Customer shall preserve all original test data, charts and other similar records in such party's possession for a period of at least twenty-four (24) months.

12.18 **Low Volumes for Receipt Points.**

- (a) In the event that Customer does not deliver to Gatherer an average of ten **(10) Dekatherms of Gas per Day** at each receipt point into Gatherer's system, during any ninety (90) consecutive day period, then Gatherer

may, at its sole discretion, terminate the Agreement as it relates to such receipt points by giving Customer notice in writing thirty (30) days prior to the effective date of termination.

- (b) In the event that the amount of Gas passing through any Interconnect is less than the facility minimum design requirements for accurate measurement, Gatherer has the right to shut-in service from Customer until (i) Customer has provided adequate supply to meet such design requirements and has proven to Gatherer that such volumes exist, and/or (ii) the metering and related facilities have been redesigned and installed for effectively and efficiently measuring the revised volumes within the accuracy allowed and required by Gatherer.

ARTICLE XIII REGULATORY APPROVALS

13.01 **Initial Regulatory Filing Requirements.** Both Gatherer and Customer are responsible for identifying and obtaining any governmental and/or regulatory approvals that may be required for construction and operation of the facilities contemplated by this Agreement.

13.02 **Change in Regulation Results in Material Adverse Effect.** If any other governmental agency, whether state or federal, takes any action or issues any determination that directly or indirectly results in a material adverse change to any provision of this Agreement, then the materially adversely affected Party (hereinafter "Affected Party") may either:

- (a) continue to fulfill its obligations under this Agreement as altered by the change in regulation; or
- (b) seek to renegotiate the affected terms of this Agreement by giving notice to the other Party within thirty (30) days of the material adverse change. If the Affected Party elects to renegotiate the terms of this Agreement, both Parties shall be obligated to renegotiate in good faith.

ARTICLE XIV ASSIGNMENT

14.01 **Assignment of this Agreement.** This Agreement shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Agreement shall run for the full term of this Agreement. No assignment of this Agreement, in whole or in part, will be made without the prior written consent of the non-assigning party, which consent will not be unreasonably withheld or delayed; provided, either party may transfer its interest to any parent or affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any transfer and assumption, the transferor shall not be relieved of or discharged from any obligations hereunder.

ARTICLE XV NOTICE

15.01 **Notices.** Following execution and activation of this Agreement, all communications, invoices and payments ("Notices") required hereunder may be sent by facsimile, a nationally recognized overnight courier service, hand delivered or via first class mail.

Company Name

225 North Shore Drive, Pittsburgh, PA 15212-5861

Attention: T & E Department

Phone: 412-395-2604

Facsimile: 412-395-3347

Email: T&ENotify@eqt.com

Customer Name

Customer Address

Attention:

Phone:

Facsimile:

Email:

15.02 **Receipt of Communications.** Any notice required or permitted under this Agreement shall be in writing. Notice shall be deemed to have been received (i) when transmitted by facsimile ("FAX") transmission, upon the sending Party's receipt of its facsimile's confirmation thereof, (ii) when sent by overnight mail or courier, on the next business day after it was sent or such earlier time as is confirmed by the receiving Party, (iii) when delivered by hand, at the time it is delivered to an officer or to a responsible employee of the receiving Party and (iv) when delivered via First Class Mail, two (2) business days after mailing. Any FAX communication shall be promptly confirmed by mail. Either Party may change its address, telephone number, or FAX number at any time by promptly giving notice of such change to the other Party. Either Party may modify any notice information specified above by written notice to the other Party.

ARTICLE XVI MISCELLANEOUS

16.01 **Choice of Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the State's conflict of laws principles. This Agreement shall be deemed to have been executed in Pennsylvania.

16.02 **Construction of this Agreement.** No presumption shall operate in favor of or against either Party as a result of any responsibility either Party may have had for drafting this Agreement.

16.03 **Execution.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. As used herein, the singular of any term shall include the plural.

16.04 **Captions.** The article and section captions of this Agreement are for purposes of reference only and shall not affect the meaning of any provision of this Agreement.

16.05 **Amendments.** This Agreement may only be amended or modified by written instrument signed by the duly authorized representatives of Customer and Gatherer.

16.06 **Severability.** If any provision of this Agreement is held by any court of competent jurisdiction to be illegal, invalid, unenforceable, or in conflict with any law of the Commonwealth of Pennsylvania, the validity of the remaining provisions of this Agreement shall not be affected, and the rights and obligations of the Parties shall continue in full force and effect to the full extent permitted by law. If any provision of this Agreement is held invalid, illegal, unenforceable or in conflict with any Pennsylvania law, the Parties shall meet promptly and negotiate in good faith a replacement provision to effectuate the intent of the Parties.

16.07 **Confidentiality.** This Agreement and all notices, statements, correspondence, and other communications or documents relating to the negotiation and administration of this Agreement are non-public, confidential, and proprietary ("Proprietary Information"). Each Party shall keep such Proprietary Information strictly confidential for a period ending two (2) years after the expiration or termination of this Agreement, except as may be required to comply with any statute or order of a court or government agency having subject matter jurisdiction, the Parties shall not disclose, reveal or divulge any Proprietary Information to any person or entity without the prior written consent of the other Party.

16.08 **Audits.**

- (a) **Accounting Audits:** Gatherer shall have the right to audit Customer's accounting records and other documents relating to materials delivered by or on behalf of Customer for Gatherer's account for any calendar year within the twenty-four (24) month period following the end of such calendar year. This provision shall continue in full force and effect for a period of twenty-four (24) months from the effective date of termination of this Agreement.
- (b) **Field Audits:** Customer gives Gatherer permission to periodically come onto Customer's property in order to audit the facility. Permission for ingress/egress includes personnel, vehicles, and other equipment deemed necessary by Gatherer. Gatherer has permission to perform all operating and maintenance functions associated with verifying the integrity and functionality of equipment, piping, and appurtenances. If, in Gatherer's judgment, modifications are necessary in order to assure proper operation of the equipment, Gatherer has permission to remove and/or replace pipe, fittings, and equipment at the Gatherer's discretion and at the expense of the Customer.

16.09 **Waiver.** Any waiver by either Party of performance due by the other Party under the terms of this Agreement shall not operate as a waiver of any or all of such Party's rights with respect to all prior or subsequent obligations of the other Party.

16.10 **Entire Agreement.** The entire agreement between the Parties shall include those provisions contained in this Agreement and any effective Appendices (collectively "Agreement"). Each Appendix shall be executed by duly authorized representatives of Gatherer and Customer to signify acceptance of the terms and conditions set forth therein. Each duly executed Appendix is hereby incorporated into and made a part of this Agreement. In the event of a conflict between the terms of any Appendix and the terms of this Agreement, the terms of the Appendix shall govern.

This Agreement, as amended from time to time, constitutes the entire agreement between the Parties and supersedes all previous offers, negotiations, understandings and agreements between the Parties with respect to the subject matter hereof. There are no agreements, modifications, conditions or understandings, written or oral, expressed or implied, pertaining to the subject matter of this Agreement which are not contained in this Agreement.

IN WITNESS WHEREOF, Gatherer and Customer have duly executed this Agreement to be effective as of the day and year first written above.

Signature: _____
Name: _____
Title: _____
Date: _____

Signature: _____
Name: _____
Title: _____
Date: _____

**GATHERING INTERCONNECT AGREEMENT
Site Specific Data and Facility Responsibility Matrix
Appendix A**

This Appendix A is a part of the **GATHERING INTERCONNECT AGREEMENT** ("Agreement") made and entered into on the ___ day of _____, 20__ by and between **Company Name**, with offices at 225 North Shore Drive, Pittsburgh, PA 15212-5861 ("Gatherer") and **Customer Name**, with offices at **Customer Street, Customer City, Customer State, Customer Zip**, ("Customer"). This Appendix A, in conjunction with the Agreement, provides for the establishment of a new point of interconnection on Gatherer's system. In this Appendix, Gatherer and Customer are also referred to herein individually as a "Party" and collectively as the "Parties."

1.01 **Specifications.** Customer shall follow the "Minimum Engineering & Technical Specifications for Interconnect Facilities" set forth in Appendix B in designing and installing the proposed Interconnection Facilities. In addition to the minimum design specification and operating parameters set forth in Appendix B, the following specifications shall be followed:

- (a) **Maximum Allowable Operating Pressure ("MAOP").** The Gatherer's MAOP at the point of interconnect into line No. **xxx** is currently **xxx** psig. Accordingly, all Interconnection Facilities shall be designed with a **xxx** psig minimum design pressure and ANSI **xxx** rated fittings.
- (b) **Receipt/Delivery Point Data:**

Meter I.D. Number	
Farm Name	Site Name
Well API Numbers	
Location Nearest Street Address	
Location County and Township	County, Township
Location GPS Coordinates (Longitude, Latitude)	LON LAT
Desired Completion Date	

Receipt by / Delivery by	
Maximum Allowable Operating Pressure	Xxxx PSIG
Set Operating Pressure	Xxxx PSIG
Maximum Daily Volumes	Xxxx Mcf/Day

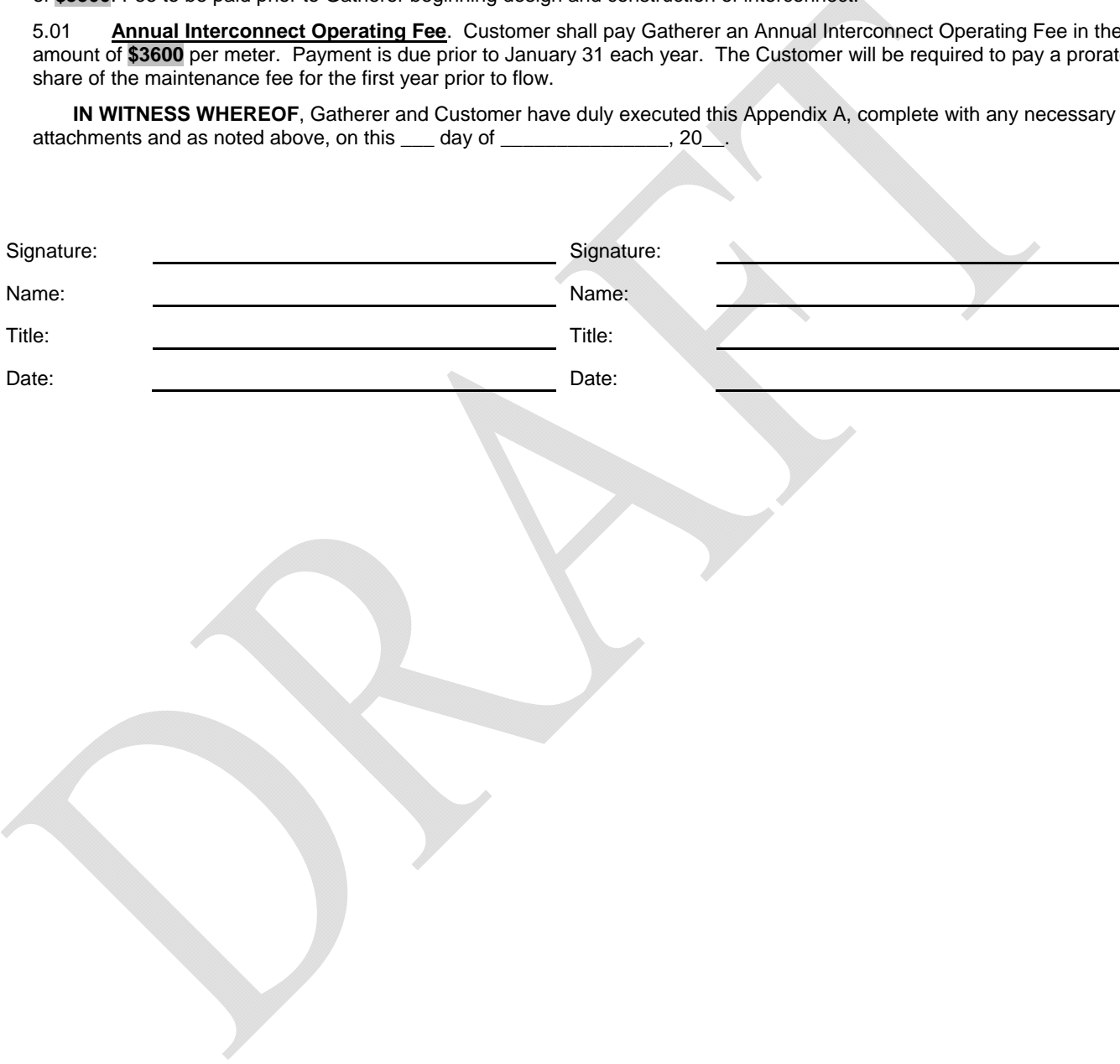
- (c) **Responsibility for Interconnect Facility Equipment.** The following table establishes the design, construction, operation, maintenance and cost responsibility for certain aspects of the Interconnect Facilities. All of the following design specifications designated as the Customer's responsibility shall be incorporated into the design and construction of the Interconnect Facilities at Customer's sole cost.

drawing shall include all facilities from the tie-in with the Gatherer's pipeline facilities to the outlet side of the gas measurement facilities. This detailed drawing shall include centerline measurements, valve, regulator, meter identification, pipe size(s) and type(s), and telemetering details. Customer shall provide a copy of this drawing (AutoCAD format) to the Gatherer for review and approval prior to activation of Interconnect Facilities.

- 2.01 **Ownership.** The Interconnect Facilities shall be owned as noted in Table section 1.01(c).
- 3.01 **Operation and Maintenance.** The Interconnect Facilities shall be operated as noted in Table section 1.01(c).
- 4.01 **Construction and Installation Fee.** Customer shall pay Gatherer a Construction and Installation Fee in the amount of **\$5500**. Fee to be paid prior to Gatherer beginning design and construction of interconnect.
- 5.01 **Annual Interconnect Operating Fee.** Customer shall pay Gatherer an Annual Interconnect Operating Fee in the amount of **\$3600** per meter. Payment is due prior to January 31 each year. The Customer will be required to pay a prorated share of the maintenance fee for the first year prior to flow.

IN WITNESS WHEREOF, Gatherer and Customer have duly executed this Appendix A, complete with any necessary attachments and as noted above, on this ___ day of _____, 20__.

Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____



**Gathering Interconnect Agreement
Minimum Engineering & Technical Specifications
for Interconnect Facilities
Appendix B**

This Appendix B is a part of the Gathering Interconnect Agreement ("Agreement") made and entered into on the ___ day of _____, 20__ by and between **Customer Name** ("Customer"), with offices at **Customer Street, Customer City, Customer State, Customer Zip** and **Company Name** ("Gatherer") with offices at 225 North Shore Drive, Pittsburgh, PA 15212-5861. This Appendix B, in conjunction with the Agreement, contains the minimum engineering and technical specifications for the establishment of a new point of interconnection on Gatherer's system. In this Appendix, Gatherer and Customer are also referred to herein individually as a "Party" and collectively as the "Parties."

**ARTICLE I
DESIGN OF INTERCONNECT FACILITIES**

- 1.01 **General.** Customer shall be responsible for all aspects of the design and construction of the Interconnect, subject to the terms and conditions of the Interconnect Agreement, unless specifically noted otherwise by Gatherer.
- 1.02 **Materials.** All material and equipment furnished for the Interconnect Facilities shall be new and shall satisfy (i) the generally accepted industry standards and (ii) the specifications set forth in Appendix A.
- 1.03 **Site/Land Acquisition**
- (a) Customer shall provide, if required, a right of way necessary for the tie-in of proposed Interconnect facilities to existing Gatherer-owned facilities that is free of all costs and from all claims and liabilities for damages arising out of installation or the construction of the facility. Customer shall provide Gatherer with the necessary rights-of-way, permits, and related surface rights including the rights of ingress, egress and regress necessary to access the Interconnect Facilities.
 - (b) Customer and Gatherer must agree beforehand to the location of the Interconnection as well as the final tie-in location.
 - (c) Customer shall satisfy itself as to the character and types of surface and subsurface materials to be encountered in construction of the Interconnect.
 - (d) Customer's right-of-way shall be cleared of all debris and obstructions before the Interconnect Facilities are tied into the Gatherer's facilities.
 - (e) The Interconnect Facilities shall be readily accessible, located in an area that is not susceptible to vehicular or other damage but as near as practical to the final tie-in point. Gatherer reserves the right to require that the Interconnect be enclosed within a locked fence or building.
 - (f) All costs associated with Customer's obligations under this section shall be the Customer's responsibility.
 - (g) To the extent that Gatherer is at any time required to pay for such rights-of-way or such costs or claims or liabilities, then such amounts and related expenses shall be incorporated within the Initial Construction and Installation payment made under this Agreement.
- 1.04 **Inlet Filter.** Filter/filter-separator facilities installed upstream of the Interconnect Facilities at receipt interconnects must be considered and based upon specific gas analysis.
- 1.05 **Freeze Prevention.** In circumstances where heavier hydrocarbons and/or water vapor may be present within the gas stream, Customer shall incorporate freeze protection measures into the design of the Interconnect Facilities. The method and design of the freeze protection measures shall be submitted to the Gatherer for approval and no construction shall commence until such time as Customer receives written approval from Gatherer. If Customer's freeze protection measures involve the use of natural gas for fuel, then the tap for such fuel supply line shall be made (i) upstream of the Interconnect, if the Interconnect is functioning as a receipt point into Gatherer's system and/or (ii) downstream of the Interconnect, if the Interconnect is functioning as a delivery point from the Gatherer's system, as the case may be, such that Customer bears the costs of the fuel. Freeze protection measures which may be acceptable to Gatherer include the following:
- (a) Methanol Injection – should be installed downstream of meters.
 - (b) Catalytic heaters / heat trace - for regulator bodies.
 - (c) Indirect water bath heaters – for large pressure cuts and large flow volumes.
 - (d) All gas provided and delivered to Gatherer shall have a temperature of no less than 45° F.
- 1.06 **Regulating and Overpressure Protection.** Gatherer may require regulation and shall require over-pressure protection for receipt points under this Agreement. Such regulation shall deliver pressures suitable to pressures in Gatherer's

system. Gatherer shall specify and/or approve the type of regulators to be used and shall specify, pressure ranges, and operating settings.

- (a) A primary pressure-limiting device shall be required whenever the gatherer's pipeline system has the possibility of realizing pressures exceeding the Gatherer facility MAOP.
- (b) Overpressure protection devices shall be set such that pressures may not exceed the maximum allowable operating pressure for the facility into which Customer is delivering Gas.
- (c) Overpressure protection devices must be designed to prevent a single incident from affecting the operation of the Interconnect.
- (d) Security valves, monitor regulators, or control valves should be used for overpressure protection.
- (e) Overpressure protection devices shall consist of a stand-alone valve operating on a pneumatic signal taken directly from the pipeline.
- (f) If pilot loaded valves are used, the pilots shall not bleed when they are not operating. Pilot bleeds should be routed to downstream piping.

1.07 **Control Valves**

- (a) Control valves shall be sized using the highest flow rate compounded with the lowest delivery pressure.
- (b) All flow control valves should be installed to fail in the open position or in the last set positions, as applicable.
- (c) Gatherer shall approve the type and brand of control valve.
- (d) Downstream taps for pressure control valves shall be noted on detail drawings, and shall also possess a pressure transducer for stations designed with telemetry.

1.08 **Miscellaneous Valves and Piping**

- (a) Blow-down valves shall be installed to provide for venting of all sections.
- (b) Meter header piping shall be sized for 1.5 times the total combined area of the total meter runs.
- (c) Isolation valves will be installed on either side of regulators, meters, and control valves.
- (d) Piping shall be Standard Weight unless approved otherwise by Gatherer.

1.09 **Emergency Valve.** The design and installation shall include an emergency valve (ball valve preferred) located at least twenty-five (25) lineal feet (point to point) but not to exceed fifty (50) lineal feet from the tie-in with Gatherer's pipeline facilities. The emergency valve shall be readily accessible, easily operated, and sufficiently marked for quick identification.

1.10 **Gatherer Tie-In and Tap Sizing.** Gatherer shall provide for the sizing and actual installation of tap for tie-in of interconnect to Gatherer facilities. Customer shall provide data necessary for the sizing of the tap.

1.11 **Gas Chromatograph.** Auxiliary equipment may be required for measurement of Btu variations. Gatherer shall have the final decision as to the type of gas analysis required.

1.12 **Dehydration.** Gas received by Gatherer at interconnects shall contain no free liquids. Gatherer has the right to discontinue and/or terminate any Agreement where gas delivered contains free liquids.

1.13 **Dew Point Tester.** When deemed necessary by Gatherer, Customer shall incorporate an on-line dew point tester as part of the Interconnect Facilities. The unit shall be set such that any gas volumes detecting water content levels in excess of contractual specifications shall result in the automated closure of an in-line valve thereby preventing further delivery of gas into system. Valve shall remain closed until an acceptable water moisture content of the gas can be provided.

1.14 **Corrosion Coupon Tap.** When specified by Gatherer, Customer shall provide for an in-line valve tap for installing corrosion coupons.

1.15 **Check Valve.** All interconnects shall be installed with a check valve of some type so as to assure gas flow in the direction proposed by the Agreement.

1.16 **Building, fences, and site security**

- (a) Buildings, or shelters, shall be provided to protect electronic gas measurement and control equipment, as well as to act as noise barriers, protection from damage, and for meeting compliance with local ordinances.
- (b) Unless waived by Gatherer, all interconnect sites shall be fenced, consisting of chain link fencing eight feet (8') in height complete with three (3) strands of barbed wire, and at a minimum; one pedestrian gate and one truck gate installed at opposing ends of the site.
- (c) The site selected must be large enough to hold all equipment and accommodate all activities required for normal and maintenance operations.

(d) Proper signage shall be provided and maintained by the customer.

1.17 **Power and telephone.** If required, Customer shall provide for electric power and telephone at site.

**ARTICLE II
INSTALLATION, TESTING, and INSPECTION**

2.01 Testing

- (a) All facilities shall be tested in accordance with specifications provided by Gatherer. Gatherer shall specify minimum test pressure and test duration. Tests shall be conducted using a recording chart of which Gatherer shall receive original or a clear copy of the original test chart.
- (b) Gatherer shall not activate the Interconnect until a copy (or original) of the test chart has been received and approved.

2.02 Inspection

- (a) Gatherer reserves the right to inspect all facilities during installation.
- (b) Prior to startup of construction, three days notice shall be provided to Gatherer.
- (c) All girth welds must be 100% radiographically inspected and approved.
- (d) Customer shall be responsible for all expenses, including inspection by Gatherer, relative to construction inspections of facility.

IN WITNESS WHEREOF, Gatherer and Customer have duly executed this Appendix B, complete with any necessary attachments and as noted above, on this ___ day of _____, 20__.

Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

**Gathering Interconnect Agreement
Inspections and Gas Quality
for Interconnect Facilities
Appendix C**

This Appendix C is a part of the **Gathering Interconnect Agreement** ("Agreement") made and entered into on the ___ day of _____, 20__ by and between **Customer Name** ("Customer") with offices at **Customer Street, Customer City, Customer State, Customer Zip** and **Company Name** ("Gatherer"), with offices at 225 North Shore Drive, Pittsburgh, PA 15212-5861. This Appendix C, in conjunction with the Agreement, contains the inspections and gas quality specifications for the establishment of a new point of interconnection on Gatherer's system. In this Appendix C, Gatherer and Customer are also referred to herein individually as a "Party" and collectively as the "Parties."

**ARTICLE I
ROUTINE INSPECTIONS OF INTERCONNECT FACILITIES**

- 1.01 **Interconnect Maintenance.** Gatherer shall have the right to periodically inspect Customer's records and the Interconnect Facilities to verify that all operating and maintenance functions are being performed effectively. If Customer cannot provide adequate documentation or if Customer's operating and maintenance procedures are inadequate as determined by Gatherer, Customer will have seventy-two (72) hours to produce proper documentation and/or revise inadequate procedures. If, after the seventy-two hour period, documentation is not provided and/or procedures are not modified, Gatherer retains the right to take further action as it deems necessary including the right to shut-in the facility until adequate documentation/procedures have been verified and secured.
- 1.02 **Changes to Interconnect.** The Customer has an obligation to notify the company in writing 24 hours prior to changes to Customer Facilities that would impact the Interconnect Facility, Gatherer Facility, or gas composition and the Gatherer shall have the right to reject changes to the facility. Gatherer retains the right to take action as it deems necessary including the right to shut-in the facility in the event notification does not occur. The cost of any damages as a result of changes to Customer Facilities will be borne entirely by the Customer.
- 1.03 **Interconnect Operations.** The Gatherer shall have the right to shut in the meter set immediately if equipment is not operating properly, an overpressure condition exists, design limitations are exceeded, or safe operating conditions are compromised. Furthermore, the Gatherer has the right to keep the meter shut in until the Customer makes the necessary provisions to rectify the situation. If the abnormal conditions repeatedly arise, the Gatherer has the right to shut in the meter set indefinitely.
- 1.04 **Interconnect Inspections.** The Gatherer shall have the right to inspect the Interconnect Facility including but not limited to the following: calibrate the meter; inspect regulators; inspect valves; and inspect and calibrate gas quality facilities. If during the course of these inspections, the Gatherer determines that installation procedures were not followed, equipment was not maintained, or equipment was modified to not comply with specifications established in this Agreement, the Gatherer has the right to shut in the meter set until corrective actions by the Customer occur and additional inspections performed. If continued inspection violations occur, the Gatherer has the right to shut in the meter set indefinitely.
- 1.05 **Meter Tampering.** If the Customer tampers with the measurement equipment so as to misrepresent the true volume of gas delivered or received at this meter set, the Gatherer has the right to immediately shut in the meter set. It will remain shut in until the Gatherer and Customer reach an amicable agreement as to the most accurate volume of gas delivered during the period in question. If the Gatherer determines that measurement equipment has been tampered with on a repeated basis, the Gatherer has the right to shut in the production meter set indefinitely.
- 1.06 **Regulator Tampering.** If the Customer tampers with the regulation equipment so as to exceed the set pressure established in this Agreement, the Gatherer has the right to immediately shut in the meter set. It will remain shut in until the Gatherer reestablishes the regulator set pressure. If the Customer exceeds the pipeline MAOP set forth in this Agreement, the Gatherer has the right to shut in the Customer indefinitely. Repeated violations of the set pressure by the Customer will result in indefinite shut in. Damages as a result of set pressure violations are the responsibility of the Customer and the meter set shall be shut in until damages are paid in full.
- 1.07 **Telemetry.** The electronic gas measurement and communications equipment installed as part of the Interconnect Facilities shall include equipment for monitoring, recording, and transferring data deemed essential by Gatherer. Customer shall arrange for the electronic gas measurement and communications. Customer is required to maintain telemetry equipment (including: replacing batteries; removing communication obstacles; and repairing equipment) to provide reliable communication to the Customer. If the Gatherer determines that telemetry equipment has not been maintained on a repeated basis, the Gatherer has the right to shut in the production meter set indefinitely.

ARTICLE II
GAS QUALITY REQUIREMENTS

2.01 **General.** Before Gatherer permits the flow of natural gas into the gathering or distribution system, the Gatherer shall analyze a sample of gas to verify that it meets the requirements set forth in current and applicable pipeline Tariff. These specifications include, but are not limited to, the following:

- (a) Liquids – The gas shall be free of water and hydrocarbons in liquid form at the temperature and pressure at which the gas is delivered.
- (b) Hydrogen Sulfide – The gas shall not contain more than four (4) parts per million on a volumetric basis, or three-tenths (0.3) of a grain of hydrogen sulfide per one hundred (100) cubic feet.
- (c) Total Sulfur – The gas shall not contain more than 170 parts per million, on a volumetric basis, or ten (10.0) grains of total sulfur per one hundred (100) cubic feet.
- (d) Carbon Monoxide – The gas shall not contain more than one tenth percent (0.1%) by volume of carbon monoxide.
- (e) Carbon Dioxide and Other Inerts – The gas shall not contain more than four percent (4%) by volume of total combined inerts such as carbon dioxide, nitrogen, argon, and helium; provided that the total carbon dioxide content shall not exceed two and one half percent (2.5%) by volume.
- (f) Dust, Gums and Solid Matter – The gas shall be commercially free of dust, gums, gum-forming constituents, or other liquid or solid matter which might become separated from the gas in the course of transportation through pipeline.
- (g) Heating Value – The gas shall contain a heating value of not less than nine hundred seventy (970) Btus per cubic foot calculated on a dry basis at 14.73 psia and 60 degrees Fahrenheit (60°).
- (h) Temperature – The gas shall be delivered at temperatures not in excess of one hundred degrees Fahrenheit (100°).
- (i) Oxygen – The gas shall not contain more than 2,000 parts per million (0.2%) of oxygen by volume.
- (j) Bacteria – The gas, including any associated liquids, shall not contain any microbiological organism, active bacteria, or bacterial agent capable of causing or contributing to: (i) injury to Gatherer’s pipelines, meters, regulators, or other facilities and appliances through which Customers gas flows or (ii) interference with the proper operation of the Gatherer’s facilities. Microbiological organisms, including, but not limited to sulfate reducing bacteria (SRB) and acid producing bacteria (ACB), when considered as a possibility, shall be tested for their existence utilizing the American Petroleum Institute test method API-R38 or other acceptable test method as determined by both parties.

2.02 **Gas Quality Inspections.** If the Gatherer’s gas sample analysis indicates that any of these specifications have not been met, the Gatherer may refuse deliveries until the Producer makes the necessary provisions to fully comply with the gas quality requirements.

2.03 **Gas Quality Inspections.** After initial deliveries are received, the Gatherer reserves the right to periodically sample gas at the production meter set to validate the gas quality. If the analysis indicates that gas quality specifications are not met, the Gatherer has the right to shut off the deliveries indefinitely until the Customer makes the necessary provisions to fully comply.

2.04 **Remedies.** The Gatherer has the right to shut off deliveries indefinitely until the Customer makes the necessary provisions to meet the gas quality standards. The Gatherer may also elect to require continuous gas quality monitoring with fail safe shut off as a provision to accept existing or new deliveries. Damages as a result of gas quality violations are the responsibility of the Customer and the meter set shall be shut in until damages are paid in full.

IN WITNESS WHEREOF, Gatherer and Customer have duly executed this Appendix C, complete with any necessary attachments and as noted above, on this ___ day of _____, 20__.

Signature: _____	Signature: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

**GATHERING INTERCONNECT AGREEMENT
COMPRESSION AGREEMENT
APPENDIX D**

This Appendix D is a part of the **GATHERING INTERCONNECT AGREEMENT** made and entered into on the ___ day of _____, 20__ by and between **Company Name**, with an office at 225 North Shore Drive, Pittsburgh, PA 15212-5861, ("Gatherer") and **Customer Name**, with an office located at **Customer Street, Customer City, Customer State, Customer Zip** ("Customer"). This Appendix D, in conjunction with the Agreement, provides for the introduction of compressed gas into Gatherer's system. As used in this Appendix, Company and Customer are also referred to individually as a "Party" and collectively as the "Parties".

1.01 **Commencement of Operation.** Customer is responsible for identifying and obtaining any environmental, governmental and/or regulatory approvals that may be required for construction and operation of the facilities contemplated by this Agreement. Customer shall notify Company, in writing, when its compression facilities are complete, tested and ready for activation. Unless otherwise indicated, Customer may introduce compressed natural gas into Company's system as soon as the necessary facilities have been constructed, the requisite documents have been submitted and Customer has satisfied the terms and conditions of this Agreement.

1.02 **Low-Pressure Shutdown.** Compressor units shall have low-pressure shutdown controls on the suction (intake) line to preclude drawing air into the system. If the Customer desires to operate the suction system with less than a two (2) psig minimum inlet pressure, or if Company, in its reasonable discretion, has reason to believe that Customer may draw air into Gatherer's system, an oxygen sensor shall be installed on the inlet of the suction line so as to automatically shut down the system when oxygen is detected at levels above two thousand (2,000) parts per million (0.2%).

1.03 **Compressor Fuel.** Fuel gas for Customer's compression facilities shall be taken upstream of the meter measuring the gas delivered into Gatherer's line.

1.04 **Compressor Site.** Customer's compression facilities shall be located entirely on sites owned by parties other than Gatherer.

1.05 **Pulsation.** Customer shall assure that compressor units are designed, installed, operated and maintained in such a manner as to minimize pulsation at the interconnection with Gatherer's facilities. If pulsation is suspected, Gatherer, at its option, may use an industry-accepted square root error indicator to determine if unacceptable pulsation levels are present at the referenced meter. If the square root error exceeds one percent (1%), the meter shall be shut-in until corrective action is taken. Gatherer will continue to accept production during the period the corrective action is taken provided it is free flowed without using the compressor. Customer is responsible for making all compressor/piping modifications to reduce or eliminate pulsation. After modifications have been made and gas flow resumed, Gatherer may elect, at Customer's expense, to perform additional square root error tests if pulsation is suspected. Customer shall pay Gatherer Five Hundred Dollars (\$500) for each additional pulsation test performed by Gatherer.

1.06 **Adverse Impacts.** The compressor unit shall be installed in a manner necessary to eliminate any adverse impact on Gatherer's facilities.

1.07 **Equipment Costs.** All costs associated with equipment required by this Agreement, including installation costs, shall be the Customer's responsibility and any such costs paid by Gatherer shall be reimbursed by Customer.

1.08 **Specifications.** Customer shall follow the following specifications in designing and installing its compression facilities:

- (a) **Interconnect Location:** The Customer's compression facilities shall be located upstream of Gatherer's line No. **xxx**.
- (b) **Discharge / Outlet Pressure:** The discharge / outlet line pressure measured at the compressor cylinder shall not exceed **xxx** psig. Customer's compressor unit(s) shall be equipped with a high discharge pressure shutdown switch set to prevent the discharge pressure from rising above that noted in this paragraph. Gatherer shall have the right to modify the discharge / outlet line pressure at which Customer may introduce gas into Gatherer's system from time-to-time as may be necessary, in Gatherer's reasonable judgment, to meet its gathering system operating requirements or other service obligations.
- (c) **Safety Relief Valves:** The Customer's compressor station shall be equipped with a safety relief valve, set no higher than the pressure noted in paragraph 1.08 (b). The safety relief valves shall be sized for the capacity of the compressor unit(s).

All cost associated with equipment required by this Agreement, including installation costs, shall be the Customer's responsibility and any such costs paid by Gatherer shall be reimbursed by Customer.

1.09 **Term.** The primary term of this Appendix D shall commence on _____, regardless of when executed, and shall continue in force and effect for a term of one (1) year, and month-to-month thereafter. Either party may terminate this Agreement upon thirty (30) days written notice to be effective at the end of the primary term or any subsequent renewal term.

IN WITNESS WHEREOF, Gatherer and Customer have duly executed this Appendix D, complete with any necessary attachments and as noted above, on this ___ day of _____, 20__.

Signature:	_____	Signature:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

DRAFT