

CHAPARRAL PIPELINE COMPANY, LLC

LOCAL PIPELINE COMMODITY TARIFF

RULES, REGULATIONS, AND RATES

APPLYING ON
THE INTERSTATE TRANSPORTATION
OF

LIQUID HYDROCARBON PRODUCTS

TRANSPORTED BY PIPELINE

FROM AND TO POINTS NAMED HEREIN

Filed [W] under authority of 18 CFR ~~§342.3 (Indexing) and 342.4(c) (Settlement Rates)~~ in compliance of 18 CFR
§341.3 (Form of tariff).

The rates in this tariff are expressed in cents per barrel.

The provisions published herein will--if effective--not result in an effect on the quality of the human environment.

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ISSUED AND COMPILED BY:

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GENERAL RULES & REGULATIONS

ITEM NO. 1 DEFINITIONS

As used herein and in other tariffs subject to these Rules and Regulations:

SECTION A – Applicable to all Shippers.

“Affiliate” shall mean any entity that directly or indirectly (i) controls a Shipper; (ii) is controlled by a Shipper; or (iii) is controlled by the same entity that controls a Shipper. For purposes of this definition, the terms “controls” and “controlled by” mean the power to direct or cause the direction of the management of and policies of another entity whether through the ownership of shares, a contract, trust arrangement or any other means, either directly or indirectly, that results in control in fact, but notwithstanding the foregoing includes, with respect to the control of or by a corporation, partnership or limited liability company, the ownership of shares or equity interests carrying not less than 50% or more of the voting rights regardless of whether such ownership occurs directly or indirectly. Without limitation, any one or more of the following shall conclusively evidence that entities are Affiliates of each other: (a) use of shared mailing or business addresses; (b) use of shared business telephone numbers; (c) use of common bank account(s) in relation to Carrier’s requirements set forth in Item 60; (d) the same or substantially the same management, general partner or managing member; and/or (e) one Shipper directing or conducting business on behalf of another Shipper.

“Barrel” shall mean forty-two (42) United States gallons of 231 cubic inches of sixty degrees Fahrenheit (60°F) and equilibrium vapor pressure.

“Carrier” means Chaparral Pipeline Company, LLC.

“Gallon” means a U.S. Gallon of 231 cubic inches at sixty degrees (60°) Fahrenheit and equilibrium vapor pressure.

“In Line Inventory” means the Liquid Hydrocarbon Products in Carrier’s custody following receipt in the pipeline and before delivery to the destination.

“Liquid Hydrocarbon Product(s) or Product(s)” Means any or all of the below, accepted for transportation meeting the specifications of Carrier:

- (1) Ethane
- (2) Propane
- (3) Butane
- (4) Iso-Butane
- (5) Normal Butane
- (6) Natural Gasoline
- (7) Demethanized Mix
- (8) NGL(s)

“Shipper” means the party or parties, including Committed Shipper, for whom transportation services are provided under the terms of this tariff.

SECTION B – Applicable only to Committed Shippers.

“Committed Shipper” means any Shipper that has committed to pay for the shipment of a specified volume of NGLs from one or more Selected Delivery Points pursuant to a TSA with Carrier on the Expansion.

“Expansion” means the modification to the existing facilities of the Carrier that resulted in approximately thirteen thousand (13,000) barrels per day (“bpd”) of increased capacity, of which approximately eleven thousand, four hundred and twenty (11, 420) bpd is to be reserved for use primarily by Committed Shippers.

“Month” means the period commencing on the in-service date of the Expansion and ending on the last day of the calendar month in which the Expansion in-service date falls and each successive calendar month thereafter.

“Monthly Deficiency Payment” means payments to be made to Carrier by a Committed Shipper as determined in accordance with the TSA of such Committed Shipper.

“Selected Delivery Point” means a delivery point selected by a Committed Shipper identified in the TSA of such Committed Shipper.

“TSA” means a Transportation Service Agreement executed by a Committed Shipper and Carrier.

“Volume Commitment” means the volume of NGLs that a Committed Shipper has guaranteed to ship on the Pipeline pursuant to its TSA.

ITEM NO. 5 RECEIPT SPECIFICATIONS

Liquid Hydrocarbon Products accepted for transportation under these Rules and Regulations shall be delivered to the origin by Shipper and shall meet all specifications required by Chaparral Product Specifications for Liquid Hydrocarbon Products dated June 1, 2010. Copies of this specification will be provided upon request from the tariff compiler referenced on the title page of this tariff. Carrier reserves the right to commingle all Liquid Hydrocarbon Products of Shipper with those of others and the right to substitute and deliver Liquid Hydrocarbon Products of the same specifications.

Receipts from Shipper shall be at pressures, pumping rates, and temperatures required by Carrier.

Shipper shall be responsible for maintaining the quality of Liquid Hydrocarbon Products at the origin, and shall perform applicable tests to insure that the stream conforms to Carrier's specifications. Should spot samples, and analyses, or any other test indicate that the stream does not meet the specifications required by Carrier, Shipper agrees, either voluntarily or upon notification by Carrier, to stop delivery of such off-specification stream to Carrier until such time as it is determined by additional testing that the stream meets the definitions of Liquid Hydrocarbon Products issued by Carrier. Any such off-specification Product attributable to Shipper may be treated by Carrier at Shippers sole expense, or disposed of by Carrier according to the disposal provisions of Item No. 65. Shipper shall indemnify and save Carrier harmless from any loss sustained by other Shippers or by Carrier by reason of contamination or damage to other Products in Carrier's custody, or by reasons of damage to Carrier's pipeline or associated facilities caused by failure of the materials accepted for transportation to meet specifications issued by Carrier.

Carrier reserves the right to collect its actual treating and handling charges plus an additional [U] 104 cents per Barrel penalty charge.

ITEM NO. 10 DELIVERY SPECIFICATIONS

All volumes of Liquid Hydrocarbon Products received by Carrier shall be delivered at the destination and shall be Liquid Hydrocarbon Products. Delivery shall be made in a manner that is consistent with Carrier's obligations to all Shippers under the terms of this tariff and all other tariffs issued by Carrier.

Carrier shall deliver all materials at pressures, pumping rates, and temperatures established by Carrier.

ITEM NO. 15 PRODUCT DELIVERABILITY REQUIREMENTS AND TESTING

All Liquid Hydrocarbon Products transported by Carrier will be measured at the time of receipt by Carrier and delivery to Shipper. Measurement for delivery may take place beyond the destination if Shipper has made arrangements which are acceptable to Carrier.

If measurements and tests are performed by Carrier, Shipper and any consignee or their representatives shall have the right to be present to witness such measurements and tests. All measurements and tests performed by Carrier shall be determinative unless they are contested within one hundred eighty (180) days of receipt of appropriate documentation by Shipper, a consignee, or their respective representative.

Carrier shall attempt to minimize the differences in component volumes of Liquid Hydrocarbon Products which may arise between receipt and delivery due to composition variations resulting from the blending of various pipeline streams.

ITEM NO. 20 LIMITATION ON SPECIFICATION PRODUCT

Carrier reserves the right to control in its discretion the component distribution in the Liquid Hydrocarbon Products tendered by Shipper in order to achieve maximum operating efficiency of Carrier's facilities and optimum utilization of total transportation capacity.

ITEM NO. 25 COMMITTED SHIPPER NOMINATIONS

In the event that nominations of committed volumes by all Committed Shippers in any Month total less than the aggregate Volume Commitments, Carrier shall be entitled to use the unutilized capacity of the Expansion to accommodate volumes nominated by other shippers without any reduction in the Monthly Deficiency Payment payable by Committed Shipper.

Carrier will determine whether or not the nominations and tenders of a Committed Shipper satisfy the Volume Commitment.

ITEM NO. 30 ACCEPTANCE FREE FROM LIENS AND CHARGES

Carrier will refuse to transport Liquid Hydrocarbon Products if encumbered by liens or charges. When any Product tendered for transportation is involved in litigation or when ownership thereof may be in dispute, Carrier will require of Shipper a bond indemnifying Carrier against all loss.

ITEM NO. 33 NOTICE OF INTENT TO SHIP

Shippers desiring to originate Product shall furnish a nomination via Estream no later than the 15th calendar day of the preceding month in which Shipper desires transportation.

A nomination shall specify the origin and destination of the Product offered to Carrier. If Shipper does not furnish such nomination, Carrier will be under no obligation to accept such Product for transportation.

Product will be accepted for transportation, subject to Items contained herein, at such time and in such quantity as scheduled by Carrier.

Carrier will transport and deliver Product with reasonable diligence and dispatch considering the quantity, distance of transportation, safety of operations, and other material factors, but will accept no Product to be transported in time for any particular market. Enhanced facilities or services may be required by a Shipper and may be provided for in a pipeage agreement in accordance with Item No. 90.

ITEM NO. 35 RATE OF RECEIPT AND DELIVERY

The rate at which Liquid Hydrocarbon Products are received by Carrier and delivered from Carrier will be determined by Carrier's transportation and delivery obligations to its Shippers and by the necessity of economical use and efficient operation of Carrier's facilities. Carrier will assume no liability for its inability to maintain schedules or comply with Shipper's delivery requests when caused by operational or scheduling problems, excess demand, delays and other problems encountered in pipeline operations.

ITEM NO. 40 FACILITIES REQUIRED AT ORIGINS

Except as otherwise provided, Carrier shall be responsible for measuring, sampling and analyzing Liquid Hydrocarbon Products prior to injection of those Products into its system, and Carrier shall provide all facilities, equipment and services required to measure, sample and analyze Liquid Hydrocarbon Products received by Carrier.

All other facilities and equipment reasonably required for receipt of Liquid Hydrocarbon Products by Carrier and to meet Receipt Specifications described in Item No. 5 herein shall be provided at the sole cost and expense of Shipper.

Shipper may, at its election, install a check meter or meters at any point where Shipper injects Products into Carrier's system. Each such check meter shall be so installed as not to interfere with the operation of any of Carrier's facilities. The calibration and adjustment of such check meters and the reading and changing of charts on such meters shall be done by Shipper. Carrier shall be given reasonable notice and the opportunity to be present at the calibration of such meters.

Unless otherwise agreed upon by Shipper and Carrier, Carrier's metering facilities at the injecting plant shall be considered the point of custody transfer.

IN ITEM 43 COMPONENT BALANCING

Shipper is responsible for bringing into balance on a monthly basis any accumulated component volume differences resulting from the receipt, transportation, and delivery of commingled demethanized mix and ethane-propane mix.

ITEM NO. 45 FACILITIES REQUIRED AT DESTINATION

Except as otherwise provided, Carrier shall be responsible for measuring, sampling and analyzing Liquid Hydrocarbon Products delivered to destination on its system, and Carrier shall provide all facilities, equipment and services required to measure, sample and analyze Liquid Hydrocarbon Products delivered by Carrier.

All other facilities and equipment reasonably required to accept delivery of Liquid Hydrocarbon Products at destination shall be provided at the sole cost and expense of Shipper. Such facilities and equipment must be provided in a manner that is acceptable to Carrier and that will allow Carrier to fulfill its obligations to all Shippers under the terms of this tariff and all other tariffs issued by Carrier.

ITEM NO. 50 IN LINE INVENTORY REQUIREMENTS

Each Shipper will be required to furnish its pro rata share of In Line Inventory to ensure efficient operation of Carrier's pipeline system. New Shippers will be required to supply a quantity of Liquid Hydrocarbon Products equal to their pro rata share of the In Line Inventory before any deliveries will be made.

ITEM NO. 55 PRORATION OF PIPELINE CAPACITY

When quantities of Liquid Hydrocarbon Products greater than can be transported are offered to Carrier for shipment through Carrier's facilities, Carrier shall allocate available transportation on an equitable basis to all Shippers pursuant to Carrier's Proration Policy entitled, Chaparral NGL Proration Policy, dated November 1, 2019. A copy of the Proration Policy is available upon request from the tariff compiler referenced on the title page of this tariff.

ITEM NO. 60 PAYMENT OF TRANSPORTATION AND OTHER CHARGES, LIEN FOR UNPAID CHARGES AND FINANCIAL ASSURANCES

The Shipper shall pay all charges as provided for in this tariff or otherwise lawfully due to Carrier, and, if required by Carrier, shall pay the same before acceptance or delivery by Carrier of Shipper's Product.

Carrier will invoice Shipper for charges or other lawfully due amounts on a weekly basis unless otherwise specified in a TSA or where operational issues make billing on a weekly basis impractical. Shipper shall pay all invoiced amounts within ten (10) days of the date of invoice from Carrier. If any amounts owed by Shipper are not paid by the due date of Carrier's invoice, Carrier shall have the right to assess an interest charge on the entire past due balance until paid in full at the rate equal to the lesser of (i) 18% per annum, or (ii) the maximum non-usurious interest rate which may then be charged under Texas law. Carrier may require that all payments to Carrier be sent by wire transfer in accordance with the instructions on Carrier's invoice to Shipper.

Carrier shall have a lien upon all of the following, whether now or hereafter existing or acquired, as collateral security for the prompt and complete payment and performance of the Obligations (as defined below): (a) all product of Shipper in the possession of Carrier or its agents including linefill; (b) all of Shipper's prepayments, deposits, balances and credits with, and any of its claims against, Carrier, at any time existing; and (c) all proceeds of any of the foregoing property in any form (collectively, "Collateral"). The foregoing lien and Collateral secures all of the following obligations of Shipper (collectively, the "Obligations"): (i) any and all charges owed to Carrier by Shipper under this tariff or otherwise lawfully due to Carrier, including penalties, interest, and late payment charges; (ii) the reimbursement of any costs or amounts Carrier may advance, spend or incur for the storage, preservation, removal or sale of the Collateral or otherwise to enforce the lien or these Obligations; and (iii) all amounts owed under any modifications, renewals, or extensions of any such Obligations. The lien provided in this tariff is in addition to any lien or security interest provided by applicable law and any and all other rights and remedies Carrier may have at law or in equity. If any amounts accruing and owed to Carrier remain unpaid ten (10) days after written notice and demand therefor, then Carrier or its agent shall have the right, in addition to and not in limitation of its other rights and remedies, to sell any or all of the Collateral at public auction, on any day not a legal holiday. The date for the sale shall be at least forty-eight (48) hours after publication of notice of such sale in a daily newspaper of general circulation published in the town or city where the sale is to be held, stating the time, place of sale, and a description and the location of the Collateral to be sold. At such sale, Carrier or any of its Affiliates shall have the right to bid, and if the highest bidder, to become the purchaser. Carrier shall apply the proceeds of any such sale to the payment of Obligations accruing or due to Carrier and to the reimbursement of expenses associated with the sale of the Collateral, and the balance remaining, if any, shall be paid to or held for whomsoever may be lawfully entitled thereto. Carrier may, with or without notice to Shipper, appoint agent(s) to retain possession of Shipper's Product on behalf of Carrier for the purpose of enforcing this security interest, lien and assignment. Carrier shall have the right to file all such documents as it deems appropriate in order to perfect or maintain the perfection of the security interest, lien and assignment granted herein and Shipper shall cooperate and execute all such documents as may be reasonably requested by Carrier.

If Shipper fails to satisfy when due any Obligations to Carrier, then Carrier shall have the right, until all such Obligations, including interest thereon, are paid in full to: (i) refuse to provide Shipper access to Carrier's facilities or provide transportation services for Shipper's Product; (ii) set-off (including by set-off, offset, recoupment, combination of accounts, deduction, retention, or counterclaim) any amounts owing to Carrier against any monies owed by Carrier to Shipper or any of Shipper's Affiliates under this tariff, any contract, or against any Product of Shipper in the custody of Carrier or its agents; and (iii) exercise any other rights or remedies under this tariff, any contract with Shipper or under applicable law or in equity, provided that Carrier will only exercise its right to refuse to provide Shipper access to Carrier's facilities or provide transportation services if Shipper has not provided Financial Assurances to Carrier sufficient in Carrier's reasonable discretion to satisfy the Obligations, provided further, notwithstanding any such Financial Assurances, if such Obligations have remained unsatisfied for sixty (60) days past the date due, even if Shipper has provided Financial Assurances, Carrier shall have the right to refuse Shipper access to Carrier's facilities or provide transportation services for Shipper's Product until such Obligations have been satisfied. In addition, Shipper shall pay all documented costs incurred by Carrier to collect any unpaid Obligations, including reasonable attorney fees and costs incurred by Carrier.

ITEM NO. 60 PAYMENT OF CARRIER CHARGES, LIEN FOR UNPAID CHARGES AND FINANCIAL ASSURANCES (Continued)

At any time, upon the reasonable request of Carrier, any prospective or existing Shipper shall provide information to Carrier that will allow Carrier to determine the prospective or existing Shipper's capacity to perform any Obligations that could arise under the terms of this tariff or a TSA. Carrier shall not be obligated to accept Product for transportation from or to provide access to Carrier's facilities to an existing or prospective Shipper if Shipper or prospective Shipper fails to provide the requested information to Carrier within ten (10) days of Carrier's written request, or if Carrier's review of the requested information reveals that the existing or prospective Shipper does not have the capacity to perform the Obligations and such Shipper fails to provide Financial Assurances requested by Carrier.

In the event Carrier determines that:

- (1) the existing or prospective Shipper's financial condition is or has become impaired or unsatisfactory;
- (2) any financial assurances ("Financial Assurances") previously provided by a Shipper no longer provide adequate security for the performance of such Shipper's Obligations; or
- (3) Carrier otherwise determines that it is necessary to obtain additional Financial Assurances from Shipper;

then Carrier, upon notice to Shipper, may require one or more of the following Financial Assurances for the payment of the Obligations, to be provided at the expense of Shipper:

- (1) prepayment (which will be held by Carrier without interest accruing thereon) in an amount and in a form satisfactory to Carrier;
- (2) a standby irrevocable letter of credit in favor of Carrier in an amount and in a form satisfactory to Carrier and issued by a financial institution acceptable to Carrier;
- (3) a guaranty in an amount and in a form satisfactory to Carrier and provided by a guarantor acceptable to Carrier; or other enforceable collateral security or credit support, in form and substance acceptable to Carrier.

ITEM NO. 65 DEMURRAGE

Carrier shall have the right to divert, re-consign, flare or make whatever arrangements for material as Carrier deems appropriate, in the event that: (1) Any Shipper fails to take delivery as required; or (2) any Shipper's failure to take delivery, alone or coupled with any similar failure of other Shippers, exhausts Carrier's storage capacity; or (3) any Shipper's receipts fail to be Liquid Hydrocarbon Products; or (4) any Shipper fails to make payment in accordance with Item No. 60.

Carrier has the right to sell such Liquid Hydrocarbon Products at private sale for the best price obtainable. Carrier may be a purchaser at any such sale. Out of the proceeds of any such sale, Carrier may pay itself all charges, fees, and expenses of sale including, but not limited to, transportation charges and expenses of sale. The balance shall be held for whoever may be lawfully entitled thereto. If the proceeds of any such sale are not sufficient to pay such charges and expenses, Shipper shall pay the deficiency. Carrier shall prorate any loss or damage to Liquid Hydrocarbon Products among all Shippers affected in an equitable manner.

ITEM NO. 70 LIABILITY OF CARRIER

Carrier's custody of Liquid Hydrocarbon Products begins at the origin and ends at the destination. Carrier will not be liable for any damage, delay or failure to deliver caused by acts of God, the public enemy, civil disorder, quarantine, the authority of law, strikes, riots, fire, floods, the acts of default of Shippers or consignees or any other cause beyond the reasonable control of Carrier, or from any cause other than the negligence of Carrier. Any such loss shall be apportioned by Carrier to each shipment of Liquid Hydrocarbon Products or portion thereof involved in such loss in the proportion that such shipment or portion thereof bears to the total of all Products in the loss, and each Shipper shall be entitled to delivery of only that portion of its shipment of Products after deducting his proportion as above determined of such loss.

ITEM NO. 75 CLAIMS, TIME FOR FILING

As a condition precedent to recovery, claims for damage, delay or failure to deliver must be made in writing to Carrier within nine (9) months after delivery by Carrier, or in case of a failure to deliver, then within nine (9) months after a reasonable time for delivery has elapsed, not to exceed twelve (12) months from time of receipt by Carrier. Suits must be instituted against Carrier only within two (2) years from date when notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims for damage, delay or failure to deliver are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and Carrier shall not be liable.

ITEM NO. 80 APPLICATION OF RATES

Carrier shall assess transportation and all other lawful charges accruing on Product accepted for transportation at the rate in effect at date Product is received at origin. Carrier will invoice Shipper for transportation charges and all other lawful charges accruing on Product accepted in accordance with Carrier's then current payment policies and procedures at the rates published herein.

ITEM NO. 85 APPLICATION OF RATES FROM INTERMEDIATE POINTS

For Liquid Hydrocarbon Products accepted for transportation from any point on Carrier's pipeline not named in this tariff, which is an intermediate point from which rates are published herein, through such unnamed point, the Carrier will apply from such unnamed point the rate published herein from the next more distant point specified in the tariff.

ITEM NO. 90 SEPARATE PIPELINE AGREEMENTS

Separate agreements, if applicable, in association with pipeline connections or other facilities ancillary to the Carrier's pipeline system and in accordance with this tariff shall be required of any Shipper or consignee before any obligation to provide transportation shall arise.

[N] ITEM NO. 93 GOVERNING LAW AND JURISDICTION

This tariff is governed by, and must be interpreted and construed in accordance with, the laws of the State of Texas, without regard to any of its principles of conflicts of laws that would make applicable the laws of any other jurisdiction. Except for disputes that fall within the jurisdiction of the Federal Energy Regulatory Commission, exclusive venue for any suit, action, or proceeding brought in connection with this tariff is in the state and federal courts located in Harris County, Texas. Carrier and Shipper each irrevocably and unconditionally waive, to the fullest extent they may legally and effectively do so, any objection they may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or relating to this tariff in the state and federal courts situated in Harris County, Texas. ***Intending to waive and forever relinquish any right under applicable law providing for a right of trial by jury, Carrier and Shipper each knowingly, voluntarily, and intentionally waives, to the fullest extent permitted by applicable law, any and all claims or rights it or its successors and assigns may have to any trial by jury on any issue arising out of any litigation, dispute, suit, action, or proceeding related to this tariff.***

RATES

[U] Unchanged rate. All rates on this page are unchanged.

ITEM NO. 95 – General Commodity Rates (In Cents per Barrel)

FROM	TO	RATE
New Mexico: Hobbs Oxy Lea County Linam Ranch Maljamar Station Hobbs DCP	Mont Belvieu, Texas – MB Enter Frac MB GCF Frac MB Oneok Frac	128.04
Texas: Hobbs MAPL		124.08
Texas: Notrees		124.85

ITEM NO. 100 – Committed Shipper Rates (In Cents per Barrel)

FROM	TO	RATE
New Mexico: Hobbs Oxy Linam Ranch Maljamar Station Hobbs DCP	Mont Belvieu, Texas – MB Enter Frac MB GCF Frac MB Oneok Frac	199.40

EXPLANATION OF ABBREVIATIONS

F.E.R.C. Federal Energy Regulatory Commission
 No. Number
 § Section

EXPLANATION OF REFERENCE MARKS

[N] New
 [U] Unchanged rate
 [W] Change in wording only