IT-1 TRANSPORTATION SERVICE AGREEMENT

(For Use Under Rate Schedule IT-1)

THIS IT-1 TRANSPORTATION SERVICE AGREEMENT (Agreement) is made and entered into as of the _____ day of _____, _____, by and between GARDEN BANKS GAS PIPELINE, LLC, a Delaware limited liability company, hereinafter referred to a "Transporter" and _____, a _____ corporation, hereinafter referred to as "Shipper." Transporter and Shipper shall collectively be referred to herein as the "Parties".

ARTICLE I

DEFINITIONS

1.1 MAXIMUM DAILY QUANTITY (MDQ) - shall mean the maximum daily quantity of gas which Transporter agrees to receive and transport, subject to Article II herein, for the account of Shipper hereunder on each day during each year during the term hereof which shall be _____ Mcf.

1.2 EQUIVALENT QUANTITY - shall be as defined in Section 1 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE II

TRANSPORTATION

Transporter agrees to accept and receive daily on an interruptible basis, as determined in Transporter's sole opinion, at the Receipt Point(s), from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Maximum Daily Quantity of gas and deliver to or for the account of Shipper to the Delivery Point(s) an equivalent quantity of gas.

ARTICLE III

POINT(S) OF RECEIPT AND DELIVERY

The Receipt and Delivery Point(s) shall be those points specified on Exhibit "A" attached hereto.

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ARTICLE IV

FACILITIES

4.1 [This Agreement shall not become effective and Transporter shall have no obligation or liability to Shipper hereunder until Transporter notifies Shipper in writing that all facilities are in place and ready to render the service provided for in this Agreement.]

-or-

4.1 [All facilities are in place and ready to render the service provided for in this Agreement.]

4.2 Transporter's obligation to build or install new facilities to perform this service is subject to the provisions of Section 20 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE V

QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality Specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

ARTICLE VI

RATES AND CHARGES FOR GAS TRANSPORTATION

6.1 TRANSPORTATION RATES - Commencing with the date of initial receipt of gas for transportation hereunder, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein shall be in

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accordance with Transporter's Rate Schedule IT-1 and the General Terms and Conditions of Transporter's FERC Gas Tariff. Pursuant to Rate Schedule IT-1 of the Tariff, Transporter may agree from time to time to collect a rate lower than the maximum rate set forth in the Tariff. Such a discounted rate shall be set forth in Exhibit B.

6.2 INCIDENTAL CHARGES – Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.

6.3 CHANGES IN RATES AND CHARGES – Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule IT-1, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE VII

BILLINGS AND PAYMENTS

Transporter shall bill in accordance with Section 5 of Rate Schedule IT-1 and Shipper shall pay all rates and charges in accordance with Section 14 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

With at least five (5) Business Days advance written notice to the other party, Shipper and Transporter have the right to examine the other party's records to the extent necessary to verify the accuracy of any statement, charge, or computation made pursuant to or directly affecting this Agreement. Such right may be exercisable only during the other party's normal business hours and at the other party's place of business.

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In the event an error is discovered (except as provided in Sections 4.6, 12.3 and 14.7 herein) in the amount billed to Shipper in any billing statement issued by Transporter, such error shall be adjusted within thirty (30) days of the submittal of a claim for the amount in error; provided, however, that the claim for the error shall have been made within fifteen (15) months from the first day of the year following the year of the date of the billing statement in question.

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ARTICLE VIII

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule IT-1 and to the General Terms and Conditions incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX

REGULATION

9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.

9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.

ARTICLE X

RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE XI

WARRANTIES

11.1 In addition to the warranties set forth in the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:

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(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify, defend and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Shipper agrees to indemnify, defend and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expense (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.

11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

ARTICLE XII

TERM

12.1 This Agreement shall be effective from the date hereof and shall remain in full force and effect on a month to month basis unless and until terminated by either Party upon at least thirty (30) days' prior written notice to the other Party.

12.2 Any portion of this Agreement necessary to resolve or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's FERC Gas Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance no later than twelve months after the termination of this Agreement.

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12.3 This Agreement shall be subject to termination upon written notice from Transporter in the event Shipper fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with Section 14 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

12.4 This Agreement shall be subject to termination upon written notice from Transporter in the event Transporter's Facility is determined by final order, no longer subject to appeal, to be not subject to the jurisdiction of the FERC under Section 1(b) of the Natural Gas Act.

12.5 The indemnification provisions and payment obligations hereof shall survive any termination of this Agreement relative to all losses, deaths, injuries, claims, billings, liens, demands and causes of action of every kind and character, discovered or undiscovered, arising out of, or in connection with, or as an incident to this Agreement.

ARTICLE XIII

NOTICE

Except as otherwise provided in the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the address of the Party intended to receive the same, as follows:

TRANSPORTER: GARDEN BANKS GAS PIPELINE, LLC
1100 Louisiana, Suite 3300
HOUSTON, TEXAS 77002
ATTENTION: CONTRACT ADMINISTRATION
TELEPHONE NO. _____
FACSIMILE NO. _____

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SHIPPER:

NOTICES:

ATTENTION:
TELEPHONE NO.
FACSIMILE NO.

BILLING:

ATTENTION:
TELEPHONE NO.
FACSIMILE NO.

or to such other address as either Party shall designate by formal written notice to the other.

Shipper shall provide Transporter in writing prior to the initiation of service under this Agreement the names of three persons authorized by Shipper to conduct daily operations under this Agreement in priority order of Contact with appropriate telephone and facsimile numbers. Shipper shall amend this listing in writing when there is any change of authorized persons.

ARTICLE XIV

ASSIGNMENTS

14.1 Transporter may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Shipper may, without relieving itself of its obligations under this Agreement, assign or any of its rights hereunder to a company with which it is affiliated provided that prior to the effective date of such assignment the provisions of Section 6.3 of Rate schedule IT-1 are met by the particular affiliated company.

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14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

ARTICLE XV

NONRECOURSE OBLIGATIONS

Shipper acknowledges and agrees that (a) Transporter is a Delaware limited liability company; (b) Shipper shall have no recourse against any member of Transporter with respect to Transporter's obligations under this Agreement and its sole recourse shall be against the assets of Transporter, irrespective of any failure to comply with applicable law or any provision of this Agreement; (c) no claim shall be made against any member of Transporter under or in connection with this Agreement; (d) Shipper shall have no right of subrogation to any claim of Transporter for any Capital Contribution from any member of Transporter; and (e) this representation is made expressly for the benefit of the members in Transporter.

ARTICLE XVI

MISCELLANEOUS

16.1 THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.

16.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.

16.3 Unless otherwise expressly provided in this Agreement or Transporter's FERC Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective unless agreed by the Parties in writing or over Transporter's Interactive Internet Website.

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16.4 Exhibit "A" attached hereto is incorporated herein by reference and made a part hereof for all purposes.

16.5 Reservation of Processing Rights

Shipper shall retain title to the entire gas stream Shipper delivers to Transporter, including liquid hydrocarbons covered from Shipper's gas by Transporter using conventional gravity separation facilities during transportation. Shipper hereby reserves the right at any time and from time to time to process the gas delivered to Transporter hereunder for the extraction of substances contained therein, including but not limited to, retrograde liquid hydrocarbons, liquefiable hydrocarbons and concomitant materials (i.e., sulfur, carbon dioxide, nitrogen, helium, etc.), herein called "Plant Products", and Transporter specifically agrees not to have Shipper's gas processed without Shipper's express written consent. Any costs associated with Shipper exercising its Processing Rights shall not be borne by Transporter.

16.6 Shipper agrees to participate in the NGL Bank as provided in Section 28 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

GARDEN BANKS GAS PIPELINE, LLC	SHIPPER
BY:_____	BY:_____
TITLE:_____	TITLE:_____
DATE:_____	DATE:_____

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EXHIBIT "A"

TO TRANSPORTATION SERVICE AGREEMENT

DATED _____, ____

BETWEEN

GARDEN BANKS GAS PIPELINE, LLC

AND

[SHIPPER]

Receipt Point(s)	Maximum Receipt Point Pressure, PSIG

Delivery Point(s)	Maximum Delivery Point Pressure, PSIG

_____ _____
(SHIPPER) GARDEN BANKS GAS PIPELINE, LLC

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EXHIBIT "B"

TO TRANSPORTATION SERVICE AGREEMENT

DATED _____, ____

BETWEEN

GARDEN BANKS GAS PIPELINE, LLC

AND

[SHIPPER]

Discount Information

Discounted Transportation Rate:_____

Discounted Rate Effective: From:_____ To:_____

___ Life of Reserves/Lease

___ Evergreen: ___ Year-to-Year
___ Month-to-Month

Condition for Discounted Transportation Rate (check applicable condition(s)):

____ Discounted Transportation Rate applicable to specified quantities under Shipper's Service Agreement(s):
_____ Mcf

____ Discounted Transportation Rate applicable to specified quantities above or below a certain level or all quantities if quantities exceed a certain level:

Discounted Transportation Rate applicable to _____ Mcf above/below _____ Mcf
or
Discounted Transportation Rate applicable to all quantities above _____ Mcf

____ Discounted Transportation Rate applicable in a specified relationship to quantities actually transported:

Adjustment in Transportation Rate:_____ (based on _____ Mcf actually transported)

____ Discounted Transportation Rate applicable to specified quantities during specified periods of time or during specified periods of the year:

_____ Mcf for the following time period(s): _____

____ Discounted Transportation Rate applicable to specified quantities at specific Receipt Point(s) or Delivery Point(s):

Receipt Point(s):_____
Delivery Point(s):_____

____ Discounted Transportation Rate applicable to production reserves committed or dedicated by Shipper:

Production Reserves:_____[Field or Block]

____ Discounted Transportation Rate based on published index prices for specific Receipt Point(s)and/or Delivery Point(s)or other agreed-upon published pricing reference points (based upon the differential between published prices or arrived at by formula):

Index Price(s): _____
_____

_____ Differential between Index Prices
or
_____ Formula:_____

In no event shall the discounted rate established as set forth above exceed the otherwise applicable maximum lawful rate.

Signed for Identification

Garden Banks Gas Pipeline, LLC

_____

Shipper:_____

Supersedes Exhibit B, Dated:_____