

East Cameron Gathering LLC

[N] Non Jurisdictional Rate Schedule No. 1.01

[N] replacing Non Jurisdictional Rate Schedule No. 1

[W] The rates named in this schedule are for the transportation of Crude Petroleum by pipelines, subject to the rules and regulations named herein.

From	To	Rate in Cents Per Barrel of 42 U.S. Gallons
Block 321, East Cameron Area, Louisiana [W] Platform A Located at: Lat. 28°13'10.38" N Long. 92°47'39.38" W	Block 265, Vermilion Area, Louisiana [W] Platform A located at: Lat. 28°30'41.30" N Long. 92°27'06.86" W	129.41
Block 330, East Cameron Area, Louisiana	Block 265, Vermilion Area, Louisiana [N] Platform A located at: Lat. 28°30'41.30" N Long. 92°27'06.86" W	146.99
Block 338, East Cameron Area, Louisiana	Block 265, Vermilion Area, Louisiana [N] Platform A located at: Lat. 28°30'41.30" N Long. 92°27'06.86" W	146.99
Block 299, Vermilion Area, Louisiana Subsea Tie-In at: Lat. 28°23'32.54" N Long. 92°31'02.41" W	Block 265, Vermilion Area, Louisiana [W] Platform A located at: Lat. 28°30'41.30" N Long. 92°27'06.86" W	106.24

APPLICATION OF SCHEDULE

The rates named in this schedule are applicable only on Crude Petroleum transported to Block 265, Vermilion Area, Louisiana, for reshipment to South Bend, St. Mary Parish, Louisiana.

[C] ~~Effective August 1, 2015, East Cameron Gathering LLC adopted this rate schedule for all movements contained herein, previously governed by Energy XXI Pipeline II, LLC, Non Jurisdictional Rate Schedule No. 1.~~

[N] **EFFECTIVE:** June 1, 2016

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

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[C] Cancel. [N] New. [W] Change in wording only.

RULES AND REGULATIONS

RULE 1. DEFINITIONS:

“Crude Petroleum,” as used herein, means the direct product of oil wells, indirect petroleum products resulting either from distillate recovery equipment in gas and distillate fields, or a mixture of the direct product and indirect petroleum products.

“Barrel,” as used herein, means 42 United States gallons of Crude Petroleum at a temperature of 60 degrees Fahrenheit.

“Carrier,” as used herein, means East Cameron Gathering LLC.

RULE 2. SPECIFICATIONS AS TO QUALITY AND LEGALITY OF SHIPMENT: [W]

Carrier reserves the right, in its sole discretion, to reject any and all of the following shipments:

- A. [W] Crude Petroleum whose gravity, viscosity and other characteristics are such that it is not readily susceptible of transportation through Carrier’s existing facilities or of receipt by the designated downstream carrier or may damage the quality of other shipments or cause disadvantage to other shippers and/or Carrier.
- B. [W] Crude Petroleum containing basic sediment, water or other impurities totaling in excess of one percent as determined by centrifugal test, or by such other tests as may be used in the industry.
- C. [W] Crude Petroleum where the shipper or its consignee has failed to comply with all applicable laws, rules and regulations made by any governmental authorities regarding shipment of Crude Petroleum.

[N] A Crude Petroleum quality testing and administration fee of \$0.007 per Barrel will be assessed to each shipper to cover the costs for Carrier to test Crude Petroleum according to the quality specifications above (including without limitation for sulfur, paraffin and water content). For any Crude Petroleum not meeting such specifications, Carrier may, in its sole discretion, require the applicable shipper (or its designee) to chemically treat such Crude Petroleum at its sole cost, expense and charge. For any Crude Petroleum that falls in any of the categories above but that Carrier accepts for transportation, Carrier may, in its sole discretion, chemically treat same at the sole cost, expense and charge of the shipper and its consignee.

RULE 3. RECEIPT, DELIVERY AND IDENTITY OF SHIPMENTS: [W] Crude Petroleum offered for transportation will be received into the pipelines of Carrier only on the condition that:

- [W] A. It shall be subject to such changes in gravity or quality as may result from the

mixture of said Crude Petroleum with other Crude Petroleum in the tanks or lines of Carrier; and

[W] B. Carrier shall be under no obligation to deliver the identical Crude Petroleum received, and reserves the right to make delivery out of its common stock.

RULE 4. APPORTIONMENT WHEN CURRENT OFFERINGS ARE IN EXCESS OF FACILITIES: [W] When more Crude Petroleum shall be offered by shippers to Carrier under its tariffs than can be transported at the same time, the transportation furnished by Carrier shall be apportioned among all shippers equitably.

RULE 5. APPLICATION OF RATES: Crude Petroleum accepted for transportation shall be subject to the rates in effect on the date of receipt by Carrier.

RULE 6. LIABILITY OF CARRIER: [W] Carrier, while in possession of Crude Petroleum received hereunder, shall not be liable for any loss, damage or delay caused by fire, storm, weather, flood, epidemic, act of God, riot, strikes, insurrection, rebellion, war, act of the public enemy, quarantine, the authority of law, requisition or necessity of any governmental authority, default of shipper or consignee or any other cause not due to the sole negligence of Carrier. In case of loss of any Crude Petroleum from any such causes, after it has been received by Carrier for transportation and before the same has been delivered to the shipper or its consignee, such shipper shall stand a loss in such proportion as the amount of such shipper's shipment, already delivered to Carrier, bears to all of the Crude Petroleum then in the custody of Carrier, for shipment via the lines or other facilities in which the loss occurs, and such shipper shall be entitled to have delivered only such portion of such shipper's shipment as may remain after deduction of such shipper's due proportion of such loss.

RULE 7. CRUDE PETROLEUM INVOLVED IN LITIGATION: [W] Crude Petroleum that is in any way involved in litigation or is encumbered by a lien or charge of any kind may, in Carrier's sole discretion, be rejected for shipment, unless and until the shipper or its consignee shall furnish a bond or other form of indemnity satisfactory to Carrier, protecting it against any liability or loss arising as a result of such litigation, lien or charge.

RULE 8. PAYMENT OF TARIFF CHARGES: [N] Each shipper and its consignee shall be solidarily liable for the payment of all transportation and other lawful charges accruing to or due Carrier hereunder by such shipper or its consignee (including without limitation penalties, interest and late payment charges). All accrued charges are due on delivery of Crude Petroleum by Carrier to such shipper or its consignee (or, if such deliver by Carrier is excused, within five (5) days after delivery to Carrier).

[N] Payments not received by Carrier in accordance herewith shall bear interest at the lesser of (a) 125% of the average prime rate (as it may change from time to time) as quoted in the Wall Street Journal (or, if such cannot be determined, 18% per annum) and (b) the maximum amount

allowed by applicable law. Each shipper and its consignee shall be responsible to Carrier for any attorney fees or other costs incurred in connection with the collection of payments due to Carrier.

[W] Each shipper or its consignee shall pay all applicable transportation and other lawful charges accruing on Crude Petroleum delivered to and accepted by Carrier for shipment, and if required by Carrier, shall pay the same before delivery at destination. Carrier shall have a lien on all Crude Petroleum in its possession belonging to a shipper or its consignee to secure the payment of any and all unpaid transportation or other lawful charges that are due Carrier and may withhold such Crude Petroleum from delivery until all unpaid charges shall have been paid. If any said charges remain unpaid ten days after notice and demand therefor, Carrier shall have the right, through an agent, to sell such Crude Petroleum at public auction, on any day not a legal holiday, on not less than 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 and place of sale and the quantity and location of Crude Petroleum to be sold. At said sale, Carrier shall have the right to bid and, if the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will pay itself all transportation and other lawful charges, including attorney fees and expenses incident to said sale, and the balance remaining, if any, shall be held for whosoever may be lawfully entitled thereto.

RULE 9. CLAIMS, SUITS AND TIME FOR FILING: [W] As a condition precedent to recovery, a claim must be filed in writing with Carrier within nine months after delivery of shipment, or in case of failure to make delivery, then within nine months after receipt; and suit against Carrier must be instituted only within two years and one day from the day 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 a claim is not filed (or a suit is not instituted thereon) in accordance with the foregoing provisions, Carrier shall not be liable and such claim will not be paid.

RULE 10. GAUGING AND TESTING: [W] Crude Petroleum offered to Carrier for transportation shall be measured and tested by a representative of Carrier prior to its receipt from the shipper, but the shipper shall have the right to be present or represented at the gauging and testing. Upon delivery at final destination, quantities shall be computed from tank tables on a 100 percent volume basis or, when agreed upon or used in the industry, may be measured through meters. Volumes thus determined will be corrected as to temperature from observed degrees Fahrenheit to 60 degrees Fahrenheit. A centrifuge machine, or other methods used in the industry, shall be used for ascertaining the percentage of basic sediment, water or other impurities in the Crude Petroleum and the full amount of basic sediment, water and other impurities thus determined shall be deducted from the corrected volume. Quantities received from each shipper shall be determined by allocating and dividing among the shippers from whom Crude Petroleum was received, the amount delivered at final destination in the proportion that the quantity received from each shipper bears to the total quantity received from all shippers. Transportation charges shall be assessed on the quantities thus determined. From the net quantities so determined for acceptance, a further deduction of one-quarter of one-percent

(0.25%) will be made to cover evaporation and loss during transportation. The balance shall be the net quantities deliverable.

RULE 11. EVIDENCE OF RECEIPTS AND DELIVERIES: [W] Crude Petroleum received from a shipper and Crude Petroleum delivered to such shipper or its consignee shall, in each instance, be evidenced by tickets showing opening and closing tank gauges or meter readings, as applicable, temperature, basic sediment, water and any other data essential to the determination of quantity. Such tickets shall be jointly signed by representatives of Carrier and the shipper or its consignee, as appropriate, and shall constitute full receipt for the Crude Petroleum received or the Crude Petroleum delivered, as applicable.

RULE 12. QUANTITIES DELIVERABLE: [W] The quantity of Crude Petroleum deliverable at final destination shall be the quantity received at origin, less shrinkage, evaporation or other loss in transit, including leaks and breaks resulting from any cause other than the sole negligence of Carrier and shall be determined in the manner described in Rule 10 above.

RULE 13. ARRANGEMENTS REQUIRED FOR FURTHER TRANSPORTATION: [W] Carrier may reject Crude Petroleum for transportation if the shipper or its consignee has not made the necessary arrangements for further shipment beyond.