

# **WEST TEXAS GULF PIPE LINE COMPANY LLC**

## **LOCAL PIPELINE TARIFF**

Applying On Interstate Transportation of

### **CRUDE PETROLEUM**

From  
**POINTS IN TEXAS**  
To  
**POINTS IN TEXAS**

The tariff rate changes contained herein are filed in compliance with 18 CFR § [W] 342.3  
(Indexing) ~~341.3 (Form of tariff) and 341.5 (Cancellation of tariffs)~~.

Subject to Rules and Regulations shown on Pages 3 through 7

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

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**WEST TEXAS GULF PIPE LINE COMPANY LLC  
RULES AND REGULATIONS  
GOVERNING CRUDE TRANSPORTATION BY PIPELINE**

**Rule 1 Definitions**

“Barrel” means a volume of forty-two (42) United States Gallons at sixty degrees (60°) Fahrenheit and zero (“0”) gauge pressure if the vapor pressure of the petroleum is at or below atmospheric pressure, or at equilibrium vapor pressure if the vapor pressure of the petroleum is greater than atmospheric pressure.

“Carrier” means West Texas Gulf Pipe Line Company LLC.

“Consignee” means the party, including a connecting pipeline system, to whom Shipper has ordered delivery of Crude Petroleum.

“Crude Petroleum” means the direct product of oil wells or a mixture of the indirect products transportable like the direct products and containing not more than two percent (2%) of sediment, water, and other impurities.

“Delivery” means the transfer from Carrier at destination to Consignee.

“Receipt” means the transfer from Shipper at origin to Carrier for transportation.

“Required Inventory” means the volume of Crude Petroleum, by grade, required by Carrier for line fill and working stock.

“Shipper” means the party who contracts with Carrier for the transportation of Crude Petroleum under the terms of this tariff.

“Shipper’s Inventory” means total Receipts of Crude Petroleum, by grade, from a single Shipper less that Shipper's Deliveries.

**Rule 2 Specifications and Restrictions**

Subject to agreement between Shipper and Carrier regarding transportation from intermediate points, Carrier will receive Crude Petroleum through its present facilities at only the origin point(s) named herein. Crude Petroleum will be accepted for transportation only at such times as Crude Petroleum of the same grade and general characteristics is being transported from origin point(s) to point(s) of destination. Crude Petroleum tendered for transportation which differs in grade and general characteristics from that usually transported by Carrier will, at the Carrier's option, be transported only under terms agreed upon, in writing, by Shipper and Carrier.

**Rule 3 Destination Facilities Required**

Carrier will receive Crude Petroleum for transportation (a) when Crude Petroleum is to be received into Carrier's facilities at destination and Shipper or Consignee has made arrangements for further transportation beyond or (b) when Shipper or Consignee has provided the necessary facilities for receiving Crude Petroleum promptly on arrival at destination.

**Rule 4 Gauging or Metering and Testing**

All shipments tendered to Carrier for transportation shall be gauged or metered and tested by a representative of Carrier prior to, or at the same time as, receipt from the Shipper. But the Shipper or Consignee shall have the privilege of being present or represented during the gauging or metering and testing. Shipper will grant access to Shipper's facility to Carrier's representative and to any connecting carrier's representative for witnessing meter or gauge readings or meter proving and for any other required inspection incidental to measurement and transportation of Crude Petroleum.

Quantities gauged or metered shall be corrected from observed temperatures to sixty degrees (60°) Fahrenheit using applicable Standard Petroleum Measurement Tables adopted jointly by the American Petroleum Institute (API Standard 2540) and the American Society for Testing Materials (ASTM Standard D 1250). The full percentage of water or other impurities as ascertained by a centrifuge machine or other tests will be deducted from the correct volume.

Pursuant to Item No. 14, Crude Petroleum quantities transported may be adjusted to allow for inherent losses, including but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses. Adjustments will be made on the basis of total quantities transported for each crude segregation and shall be based on actual historical experience.

**Rule 5 Line Fill and Working Stock Requirement**

Shippers shall furnish Required Inventory. Each Shipper shall supply its share of Required Inventory, by grade, in the ratio that its volume of each grade delivered through each segment during the previous year bears to the total volume of all grades delivered through each segment by all Shippers during the previous year. A new Shipper (one without a Required Inventory balance) shall supply its share of Required Inventory, by grade, in the ratio that its new volume of each grade tendered monthly for each segment bears to 1/12 of the total volume of all grades delivered through each segment in the previous year by all Shippers.

Carrier shall give Shippers prompt notice concerning adjustments in their respective shares of Required Inventory and shall direct Shippers to reduce or increase their Shipper's Inventory when necessary. Inventory adjustments shall be completed within sixty (60) days after notice.

Carrier shall provide each Shipper a monthly Shipper's Inventory statement by grade of Crude Petroleum.

**Rule 6 Crude Petroleum Deliverable**

Shippers may, upon notice to Carrier, withdraw their Crude Petroleum receipts as measured and adjusted pursuant to Rules 4, 12, and 14 herein, plus any surplus in Shipper's Inventory above their Required Inventory.

**Rule 7 Mixing in Transit**

Crude Petroleum will be accepted for transportation only on condition that it shall be subject to normal changes in general characteristics while in transit as may result from the mixture of such Crude Petroleum with other similar Crude Petroleum in the pipeline and/or tanks of Carrier or connecting carrier. Carrier will not be liable for variations of gravity or quality of Crude Petroleum occurring while in its custody and is under no obligation to deliver the identical Crude Petroleum as received.

**Rule 8 Clear Title Required**

The Carrier shall have the right to reject any Crude Petroleum, when tendered for transportation, which is involved in litigation, or the title of which is in dispute, or which is encumbered by lien or charge of any kind, and it may require of the shipper satisfactory evidence of his perfect and unencumbered title or satisfactory indemnity bond to protect the Carrier.

**Rule 9 Common Stream Petroleum Connecting Carriers**

When both receipts from and/or deliveries to a connecting carrier of substantially the same grade of Crude Petroleum are scheduled at the same interconnection, Carrier reserves the right, with cooperation of the connecting carrier, to offset like volumes of such common stream Crude Petroleum. When this right is exercised, Carrier will make deliveries for the Shipper involved from its substantially similar common stream Crude Petroleum.

**Rule 10 Application of Rates from/to Intermediate Origin/Destination Points**

For Crude Petroleum accepted for transportation from any origin point on Carrier's lines not named in the individual tariffs, which is intermediate to any published origin and/or destination points for which rates are published, Carrier will apply from such unnamed point the rate published from the next more distant point specified. If branch or diverging lines create two or more "next most distant points", Carrier will apply the rate which will result in the lowest charge.

For Crude Petroleum accepted for transportation to any destination point on Carrier's lines not named in the individual tariffs, which is intermediate to any published destination and/or origin points for which rates are published, Carrier will apply to such unnamed point the rate published to the next more distant point specified. If branch or diverging lines create two or more "next most distant points", Carrier will apply the rate which will result in the lowest charge.

Carrier will file a tariff applicable to such transportation movements within 30 days of the start of the service if the intermediate point is to be used on a continuous basis for more than 30 days.

**Rule 11 Deliveries and Demurrage**

Carrier will transport Crude Petroleum with reasonable diligence, considering the quality of the Crude Petroleum, the distance of transportation, and other material elements, but may at any time after Receipt of a consignment of Crude Petroleum, upon twenty-four (24) hours' notice to the Consignee, tender Crude Petroleum conformable to specifications herein, for Delivery from its common stock at the point of destination. At the expiration of such notice, the Carrier may assess a demurrage charge on all Crude Petroleum tendered for Delivery and remaining undelivered, at the rate for each day of twenty-four (24) hours, or fractional part thereof, as follows; Fifty-Three hundredths cents (0.53¢) per barrel per day.

**Rule 12 Payment of Transportation and Other Charges**

Transportation charges will be computed and collected at the applicable tariff on the Delivery quantities of Crude Petroleum determined pursuant to these Rules and Regulations. Shipper shall be responsible for transportation and all other charges applicable to the particular shipment, and, if required, shall prepay all charges or furnish guaranty of payment satisfactory to Carrier. Carrier shall have a security interest in all Crude Petroleum accepted from Shipper under this tariff. This security interest shall secure: (1) All transportation and any other charges due or to become due from Shipper under the terms of this tariff; and (2) All costs and expenses of Carrier in exercising any of its rights detailed below, including, but not limited to, reasonable attorney fees, storage charges, and settlement of conflicting liens. The security interest provided herein shall be in addition to any lien provided by statute or common law. In the event Shipper fails to satisfy when due any obligation to Carrier, Carrier shall have all of the rights and remedies accorded to secured party under applicable state law and in addition may in its sole discretion and without notice take any or all of the following actions: (1) Refuse to deliver Crude Petroleum in its custody until all such obligations have been paid; (2) Proceed to sell such Crude Petroleum, in accordance with the applicable provisions of state law, and apply the proceeds to such obligations, (3) Store such Crude Petroleum or contract for storage of such products pending sale or other disposition; or (4) Take any other action it deems necessary for the proper protection and sale of such Crude Petroleum. Carrier may agree, at its sole discretion, to waive its security interest in the Crude Petroleum if Shipper or Consignee provides sufficient security satisfactory to Carrier.

**Rule 13 Proration of Pipe Line Capacity**

Colorado City, TX to Wortham, Goodrich, and Longview, TX:

If during any period, the total volume of crude petroleum nominated to Carrier for transporting on Carrier's pipeline from Colorado City to Wortham, Goodrich, and Longview, TX is in excess of the normal operating capacity of the pipeline, Carrier shall allocate transportation capacity in accordance with the "West Texas Gulf Pipe Line Company LLC Proration Policy, Colorado City, TX to Wortham, Goodrich, and Longview, TX," dated June 1, 2018. The Proration Policy will be provided upon request by the person listed as "Compiler" on the title page of this tariff.

If a Shipper fails to deliver for transportation, during any month of shipment, the volumes allocated by Carrier, its allocation for the succeeding month may be reduced by the amount of allocated throughput not utilized during the month of shipment in addition to any charges Shipper may incur under the above referenced Proration Policy.

**Rule 14 Liabilities of Parties**

As a condition to Carrier's acceptance of Crude Petroleum under this tariff, each Shipper agrees to protect and indemnify Carrier against claims or actions for injury and/or death of any and all persons whomever and for damage to property of, or any other loss sustained by Carrier, Shipper, Consignee and/or any third party resulting from or arising out of 1) any breach of or failure to adhere to any provision of this tariff by Shipper, Consignee, their agents, employees or representatives and 2) the negligent act(s) or failure(s) to act of Shipper, Consignee, their agents, employees or representatives in connection with Delivery or Receipt of Crude Petroleum.

The Carrier, while in possession of Crude Petroleum herein described, shall not be liable for any loss of Crude Petroleum; damage thereto; or delay because of any act of God, the public enemy, civil disorder, quarantine, the authority of laws, strikes, riots, fire, floods or the acts of default of Shipper or Consignee, or from any other causes not due to the sole negligence of Carrier. In case of loss or damage from causes other than the sole negligence of Carrier, such loss or damage shall be charged proportionately to each shipment in the ratio that such shipment, or portion thereof, received and undelivered at the time the loss or damage occurs, bears to the total of all shipments or portions thereof, then in custody of Carrier for shipment via the lines or other facilities in which the loss or damage occur. Consignee shall be entitled to receive only that portion of his shipment remaining after deducting his proportion of such loss or damage, determined as aforesaid, and shall be required to pay transportation charges only on the quantity delivered.

**Rule 15 Notice of Claims**

As a condition precedent to recovery, claims must be filed in writing with Carrier within nine (9) months after Delivery of Crude Petroleum, or, in case of failure to make Delivery, then within nine (9) months after a reasonable time for Delivery has elapsed; and suits shall be instituted against Carrier only within two (2) years and one (1) 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.

**Rule 16 Intrasystem Transfers**

Intrasystem transfers will not be recognized by Carrier for Crude Petroleum in Carrier's custody, except for transfers resulting from application of Rule No. 12 herein.

**Rule 17 Connection Policy**

Connections to Carrier's pipeline(s) will only be considered if made by formal written notification to Carrier and all requests will be subject to the following standards and conditions. All connections will be subject to design requirements necessary to protect the safety, security, integrity and efficient operation of the Carrier's pipeline(s) in accordance with generally accepted industry standards. Acceptance of any request for connection will be subject to compliance with governmental regulations.

**Rule 18 Tenders**

Shippers desiring to nominate Crude Petroleum for transportation by the Carrier shall provide Carrier with written notice of the type, origin, destination and quantity of its Nomination ("Notice of Intent to Ship"). Shippers also shall promptly provide Carrier with other information requested by Carrier to confirm that the Nominations and the proposed shipment will comply in all respects with this Tariff. Carrier will carefully examine Nominations, using every means available to ensure that they are true and realistic and may reject Nominations to the extent they appear to be inflated or unrealistic. Notices of Intent to Ship must be received by Carrier via facsimile transmission equipment acceptable to Carrier on or before 4:15 P.M. central time, the last working day prior to 16th day of the month preceding the month during which shipment is requested ("16th Nomination Date"). A "working day" shall be a Monday, Tuesday, Wednesday, Thursday or Friday of a calendar week, except when a Federal holiday falls on such day of the week.

Crude Petroleum will be accepted for transportation under this tariff in shipments not less than fifty thousand (50,000) barrels from one shipper. Carrier shall have the option to move smaller batches. No tender shall be considered beyond the amount which the party requesting shipment has readily accessible for shipment.

For tenders utilizing Marine Terminals at Nederland, tenders shall include expected date range that vessel expects to unload at terminal as specified in respective Port Manuals.

[I] INCREASED. ALL RATES ON THIS PAGE ARE INCREASED.

**TABLE OF RATES**

TO (Destinations)	TRUNK RATE			
	RATE IN CENTS PER BARREL OF 42 U.S. GALLONS			
	FROM (Origins)			
	Abilene, Texas (Taylor County)	Colorado City, Texas (Scurry County)	Tye, Texas (Taylor County)	Wortham, Texas (Freestone County)
Goodrich, Texas (Polk County)	--	52.79	--	--
Longview, Texas (Gregg County)	47.42	55.34	49.83	24.02
Sour Lake, Texas (Hardin County)	--	--	--	--
Tye, Texas (Taylor County)	--	26.83	--	--
Wortham, Texas (Freestone County)	32.70	32.70	32.70	--

**GATHERING CHARGE**

No gathering service will be performed under this tariff. The rate shown herein applies to trunk line transportation only.

**GATHERING SYSTEM RECEIPT CHARGE**

For receipts from third party gathering pipelines at Colorado City Station into Carrier's facilities at the Origin Point of Colorado City, a charge of [I] **ten and six tenths (10.69)** cents per barrel will be assessed.

**PUMPING CHARGE**

For deliveries to connecting pipelines at Colorado City Station, when pumping service is performed by West Texas Gulf Pipe Line Company LLC, a charge of [I] **eighteen and four tenths cents (18.44)** per barrel will be assessed.

**VISCOSITY SURCHARGE**

Section 1. In addition to all other charges for transportation hereunder, all Crude Petroleum having a viscosity greater than 80 Saybolt Universal Seconds (SUS) at 60° Fahrenheit shall be subject to an additional charge per barrel of [I] **sixteen and four hundredth cents (0.164¢)** per unit change in viscosity above 80 SUS (rounded to the nearest one hundredth of a cent).

Section 2. Crude petroleum viscosities to be determined per the Carrier's Viscosity Table available on the Carrier's web site. Crude petroleum not listed in the Carrier's Viscosity Table shall be considered for shipment on a case by case basis with the shipper providing the required viscosity information and other characteristics. Carrier reserves the right to verify the information by its own or independent testing. The carrier's website is [www.sunocologistics.com](http://www.sunocologistics.com).

**EXPLANATION OF REFERENCE MARKS**

[I] INCREASED [W] CHANGE IN WORDING