

**OPERATING AGREEMENT
FOR HYDROCARBON STORAGE**

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

This Operating Agreement ("Agreement") is entered into and effective as set forth in Article 3 between:

The State of Louisiana ("State") acting through its authorized agent, the State Mineral and Energy Board ("Board"), represented and undersigned by Andrew Young, duly authorized by the Board and whose mailing address is Post Office Box 2827, Baton Rouge, Louisiana 70821-2827; and

Transcontinental Gas Pipe Line Company, LLC, a Delaware limited liability company; ("Transco" or "Operator"), represented herein by Allison Craighead duly authorized by Operator and whose mailing address is 2800 Post Oak Blvd, Houston, TX 77056-6106.

In this Agreement, the State and Operator may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the State is the owner of the entirety of the surface, storage, and mineral rights in, on, and under the tract of land or water bottoms located in St. Landry Parish, Louisiana, more fully described below and in Exhibit "A" attached hereto as a part hereof ("Property"); and

WHEREAS, Transco operates certain underground natural gas storage and transportation facilities, together with other appurtenant facilities relative thereto, located in Saint Landry Parish, Louisiana; and

WHEREAS, on February 12, 1974, the State of Louisiana as Lessor, through the State Land Office, executed the Underground Storage Lease No. 1038, recorded in Conveyance Book G No. 19, Page 861, Act No. 579154, of the records of St. Landry Parish, Louisiana ("State Lease"), to Transcontinental Gas Pipe Line Corporation ("Transcontinental") for a term of twenty-five (25) years, with a right and option to extend for a period not to exceed twenty-five (25) years; and

WHEREAS, the State Lease was granted for the purpose of the storage of natural gas or other gases or vapors into that certain geological stratum or formation, generally known or referred to as the Cockfield formation of the Washington Field and as prescribed by Commissioner of Conservation Order No. 294-D; and

WHEREAS, Transco succeeded Transcontinental's right, title, and interest in the State Lease and the underground natural gas storage and transportation facilities, wells, and Improvements and Equipment on and within the Property; and

WHEREAS, the State Lease expired by its own terms in February of 2024; and

WHEREAS, Operator seeks to continue utilizing the Storage Reservoir underlying the Property; and

WHEREAS, pursuant to La. R.S. 30:209, the Board has the authority, upon a two-thirds vote of its members and after a public hearing conducted in the affected parish pursuant to La. R.S. 30:6, to enter into operating agreements whereby the State receives a share of revenues from the storage of hydrocarbons in whole or in part, as may be agreed upon by the Parties, in those situations where the Board determines it is in the best interest of the State either in equity or in the promotion of conservation to do so. The Board's authority expressly extends to, but is not limited to, establishing a contractual agreement on unleased acreage to promote utilization of the State's resources for storage. Further, pursuant to La. R.S. 30:209, the Board may do all other things that may appear to be necessary or desirable to explore and develop the mineral resources of lands belonging to the State; and

WHEREAS, pursuant to La. R.S. 30:135, the Louisiana Department of Energy and Natural Resources ("DENR"), through the Office of Mineral Resources ("OMR") shall provide the necessary staff functions to assist the Board in its leasing, supervisory, and other activities; and

WHEREAS, in consideration for this Agreement, Operator agrees to pay the State storage arrearages covering the time period between expiration of the State Lease until the Effective Date of this Agreement, as well as, additional payments as set forth and agreed upon herein; and,

WHEREAS, the Parties now enter into this Agreement to effect its terms and intent only for the use of the Storage Reservoir for the Storage of Storage Substances; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits to be derived respectively by the State and Operator, and the covenants and conditions set forth below, together with good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged and confessed by both Parties hereto, the State and Operator do hereby agree and stipulate as follows:

ARTICLE 1 – DEFINITIONS

1.1 **"Applicable Law"** means any federal or state statute, law, rule, regulation, or order, or any judicial decision, currently in effect or as enacted and adopted at a future date. Applicable Law includes, without limitation, all statutes, laws, rules, regulations, orders, Applicable Procedures, and judicial decisions that pertain to the Facility and the Property, and any future amendments thereof, including, without limiting the generality of the foregoing, all such matters that pertain to protection of the environment, environmental matters, pollutants, minimum water quality standards, dredging, filing, local navigation, and health and safety matters.

1.2 **"Applicable Procedures"** means the standards, public processes, procedures, and rules applicable to the regulation of the Facility and the Property, to the extent applicable, by the Federal Energy Regulatory Commission ("FERC"), the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), DENR, the Louisiana Office of Conservation ("OC"), and the Louisiana Department of Environmental Quality ("DEQ"), as well as any other state or federal regulatory bodies that have jurisdiction.

1.3 “**Associated Substances**” means water, vapor, and other vaporous or gaseous substances associated with, contained in, or incidental to the Storage of hydrocarbons.

1.4 “**Contract Year**” means the 12-month period that begins on the Effective Date of this Agreement and ends on the first anniversary of the Effective Date, continuing annually afterward until this Agreement expires or is terminated.

1.5 “**Cushion**” or “**Pad Gas**” means a volume of gas used to maintain pressure and deliverability in the Storage Reservoir.

1.6 “**Drill**” or “**Drilling**” means the act of boring a hole to reach a proposed location under the Property.

1.7 “**Operator Group**” means and includes **Transco** and its directors, members, partners (general and limited), officers, agents, employees, contractors, subcontractors (of any tier), other representatives, and insurers, and each of its subsidiaries and affiliates, successors and assigns and their directors, members, partners (general and limited), officers, agents, employees, contractors, subcontractors, other representatives, and insurers, and each of them.

1.8 “**Facility**” means the underground storage facility, transportation facilities, wells, and all related Improvements and Equipment associated with Operator’s storage of hydrocarbons in the Storage Reservoir underlying the Property and the surrounding area.

1.9 “**Improvements and Equipment**” means all wells, fixtures, equipment, machinery, and tools, including all pipelines, pipe, pipe casing, compression, measurement, monitoring or testing devices or equipment, and any other structures or downhole equipment, and all materials, parts, and components thereof, made, placed, installed or used, in or under the Property by Operator. Notwithstanding, this Agreement does not grant any rights to Operator for the installation of any Improvements and Equipment on the Property.

1.10 “**Injection**” or “**Injected**” means the deposit of Storage Substances into the Storage Reservoir.

1.11 “**Native Gas**” means gas below the Property within the Storage Reservoir that has not been produced or for which production royalties have not been paid.

1.12 “**Storage**” means the activity of injection, storage, subsurface containment, and Withdrawal of Storage Substances into or from the Storage Reservoir.

1.13 “**Storage Substances**” means hydrocarbons and Associated Substances, excluding Cushion Gas, Pad Gas, or any other natural gas injected into the Storage Reservoir for Operator’s operational, maintenance, testing, or any other reason apart from a customer’s commercial request.

1.14 “**Withdrawal**” means the removal of Storage Substances from the Storage Reservoir.

ARTICLE 2 – PROPERTY

2.1 The “Property” subject to this Agreement is comprised of approximately thirty-one (31) acres of Bayou Wauksha (also known as Bayou Waxia) situated in St. Landry Parish, Louisiana, more particularly described in Exhibit “A” and incorporated herein as:

- (1) Beginning at a point having Lambert Coordinates of X=1,801,700.00 and Y=726,650.00; thence East 6,700.00 feet; thence South 11,000.00 feet; thence West 6,700.00 feet; thence North 11,000.00 feet to the point of beginning, containing approximately 16.0 acres within the bed of the bayou; and

- (2) Beginning at a point having Lambert Coordinates of X=1,793,900.00 and Y=715,200.00; thence South 1,000.00 feet; thence West 7,000.00 feet; thence North 1,000.00 feet; thence East 7,000.00 feet to the point of beginning, containing approximately 15.0 acres within the bed of the bayou.

2.2 The "Storage Reservoir" is defined as and limited to the Storage Reservoir of the Cockfield Formation, Reservoir A within the Washington Field Gas Storage Area, as defined in Commissioner of Conservation Order 294-D in St. Landry Parish fixed below Bayou Wauksha, occurring between a depth of 8,910 feet and a depth of 9,400 feet, as shown by the electric log of the Sohio Petroleum Company No. 1 Thistlethwaite Lumber Company well in Section 64, Township 4 South, Range 4 East, St. Landry Parish, Louisiana, title to which is in the State in its public trust domain and includes all of the lands now or formerly constituting the beds and bottoms of all water bodies of every nature and description and all islands and other lands formed by accretion or reliction, except tax lands, owned by the State of Louisiana.

2.3 The Parties hereby acknowledge and agree that this Agreement grants Operator the limited right to use the Storage Reservoir underneath the Property for the storage of Storage Substances.

ARTICLE 3 – APPROVAL PROCESS

3.1 **Advertisement and Public Hearing.** The Board, through OMR, shall cause this Agreement to be advertised in compliance with Applicable Law, and shall conduct a public hearing pursuant to and in accordance with La. R.S. 30:6, as required by La. R.S. 30:209 ("Public Hearing").

3.2 **Approval or Disapproval.** Following the Public Hearing, the Board shall render its determination regarding approval or disapproval of this Agreement at a Board meeting. If the Board approves this Agreement by a two-thirds vote of its members, as required by La. R.S. 30:209, this Agreement shall be effective as stated in Section 2.3.

3.3 **Effective Date.** The "Effective Date" of this Agreement shall be the ____ day of _____, 2025, which is the first date on which both of the following have occurred:

- (1) This Agreement has been signed by the duly authorized representatives of Operator and the State; and
- (2) This Agreement has been approved by the Board in accordance with Section 3.2.

ARTICLE 4 – TERM

4.1 **Initial Term.** The "Initial Term" of this Agreement shall commence on the Effective Date and shall continue for a period of twenty-five (25) years. Unless extended in accordance with Section 4.2, this Agreement shall expire at the end of the Initial Term without the necessity of notice or action by the State.

4.2 **Elective Term.** At the conclusion of the Initial Term, Operator shall have the option to extend this Agreement for an "Elective Term" of up to an additional twenty-five (25) years. To exercise this option, Operator shall notify the State in writing at least six (6) months before the expiration of the Initial Term. The Parties agree that the option to extend this Agreement shall not be effective and legally binding unless approved by the Board. If extended, this Agreement will expire at the end of the Elective Term without the necessity of notice or action by the State.

ARTICLE 5 – COMPENSATION

As adequate and total consideration for the rights granted by this Agreement, Operator shall make the following payments to the State:

5.1 **Initial Payment.** Operator shall pay the State, within thirty (30) calendar days from the Effective Date of this Agreement, a payment of Five Thousand Dollars (\$5,000). Thereafter, Operator shall make Annual Payment to the State in accordance with Article 5.2.

5.2 **Annual Payment.** Operator agrees and acknowledges that for each Contract Year, it shall pay the State an “Annual Payment” of Five Thousand Dollars (\$5,000), subject to a compounded inflation interest of two percent (2%) that increases annually. Operator shall pay the State the required Annual Payment within sixty (60) days of the end of each Contract Year of this Agreement.

5.3 **Late Fee.** In the event the Operator fails to make the Annual Payment by the due date, the State shall be entitled to further payment from the Operator of a late charge equal to five percent (5%) of the total amount of the delinquent payment per month of delinquency until paid.

5.4 **Payment Default.** Upon Operator’s failure to perform all or part of any payment obligation provided herein, the State may serve a written notice to Operator identifying the grounds for default and setting forth specific terms through which Operator may cure the default (“Payment Default Notice”). Within sixty (60) days of receipt of the Payment Default Notice, Operator shall cure the default in accordance with all terms in the Payment Default Notice or issue written notice to the State providing a reasonable cause for nonpayment. If Operator fails to timely cure the default in accordance with the requirements of the Payment Default Notice or if the State determines in its reasonable judgment that Operator failed to give reasonable cause for nonpayment, the State may terminate this Agreement and recover penalties and interest as authorized by Applicable Law(s) or Applicable Procedure(s).

5.5 **Payment Method.** Except as otherwise approved by OMR in writing, Operator shall make each Annual Payment owed to the State under this Agreement by electronic fund transfer using the Automated Clearing House (ACH) Network service pursuant to the institution transfer instructions or by wire transfer. The electronic-fund transfer shall be from a banking institution in the United States in U.S. Dollars payable to the “Office of Mineral Resources” into the account identified by OMR, or to any other account as OMR may designate to Operator. In the event Operator is not able to transfer the fund via ACH or wire transfer, it may obtain approval from OMR to use a different method of payment.

5.6 **No Refund.** Operator shall not be entitled to a refund of any compensation paid to the State pursuant to this Agreement.

ARTICLE 6 – STORAGE ARREARAGES

6.1 Operator agrees and acknowledges to pay the State Five Thousand Dollars (\$5,000) in one lump sum within thirty (30) days of the Effective Date of this Agreement, representing storage arrearages for the continued use by Operator of the Storage Reservoir underneath the Property for the time period between the expiration of the State Lease until the Effective Date of this Agreement.

6.2 The State agrees that the storage arrearages payment pursuant to this Article shall constitute full and complete compensation for the right of use of the Storage Reservoir underneath the Property for the time period between the expiration of the State Lease until the Effective Date of this Agreement.

ARTICLE 7 – OPERATOR’S RIGHTS AND OBLIGATIONS

The State, pursuant to the authority of La. RS. 30:209 and other Applicable Law, does herein grant and retain certain limited rights, subject to the conditions set forth herein, as of the Effective Date of this Agreement:

7.1 **Operator’s Rights.** Operator is hereby granted, for itself and its Operator Group, the limited right to utilize the Storage Reservoir underneath the Property for the Storage of Storage Substances, subject to Applicable Law.

7.2 **Incidental Rights.** Operator and Operator Group shall have full, sole control and discretion over all aspects of Facility operations and business, operational, contractual, financial, marketing, sales, legal, and related activities and decisions, including whether and when to cease operating the Facility, in whole or in part. Furthermore, the Operator shall control the construction, preparation, installation, maintenance, operation, expansion, enlargement, modification and disposition of the Facility, including the installation and removal of Improvements and Equipment, and the Injection, Storage, transportation, shipment, handling, transmission, Withdrawal, sale or other disposition of Storage Substances stored, or to be stored from time to time, in the Facility, subject to Applicable Law.

7.3 **Limitation.** This Agreement does not convey rights to any other depths, strata, or formations above and beneath the Storage Reservoir, nor does this Agreement grant Operator the right to install or construct Facilities or Improvements and Equipment on the Property, drill one or more wells on the Property, withdraw water from State-owned water sources on the Property, or use or occupy the surface of the Property in any manner unless expressly provided herein.

7.4 **No Right to Native Gas.** In no event shall Native Gas attributable to the State’s ownership be withdrawn, produced, or removed by the Operator from the Storage Reservoir for sale or use except by and pursuant to a separate, valid, and subsisting oil and gas agreement executed by the State and approved by the Board for such purposes. Any withdrawal, production, or removal of said Native Gas is otherwise expressly prohibited and excluded from any rights granted by this Agreement.

7.5 **Compliance.** Operator shall be responsible for obtaining and complying with all permits, insurance, financial security, fees, and all other obligations mandated by this Agreement and required under Applicable Law. Nothing in this Section shall prohibit the State, acting in its capacity as a regulatory authority (through the OC, DEQ, or other regulatory authority), from enforcing all Applicable Law, specifically any applicable environmental or underground injection and storage laws and regulations.

7.6 **Prudent Operations.** In exercising its sole operational control and discretion, Operator shall conduct all operations in or under the Property as a reasonably prudent operator, in a good and workmanlike manner, with due regard for all rights and interest of the State, and in compliance with all Applicable Law.

7.7 **Waterway Access.** Operator agrees that this Agreement is subject to the provisions of La. R.S. 30:127(G), and that access by the public to public waterways through the State-owned acreage covered by this Agreement shall be maintained and preserved for the public by the Operator.

7.8 **Care.** Operator shall use the highest degree of care and all proper safeguards to prevent land or water pollution resulting from storage operations and operations associated with the Facility. Operator shall use all reasonable means to recapture all escape pollutants and shall be solely responsible for all damages to aquatic or marine life, wild life, birds, and any public or private property that may result from any such land or water pollution occasioned by operations conducted by the Operator and Operator Group.

7.9 **Operator Liability.** All costs and expenses incurred in connection with storage operations in, on, or under the Property or associated with the Facility shall be borne solely by the Operator. The State shall be held free and harmless from liability or responsibility for any and all costs and expenses so incurred.

7.10 **Recordation and Damages.** Operator agrees that it shall execute and record a legally sufficient release evidencing the expiration or termination of this Agreement covering all or any portion of the Property within ninety (90) days after such expiration or termination, and Operator further agrees to supply the State with a copy or copies thereof with recordation information properly certified by the recorder of each Parish in which Property is located. In the event the Operator fails to comply with these requirements, it shall be liable for reasonable attorney's fees and court costs incurred in bringing suit for such cancellation and for all damages resulting therefrom. It is agreed that Operator will pay arrearages to the State of One Hundred Dollars (\$100) per day for each day of non-compliance after expiration of said ninety (90) day period, regardless of whether suit is filed for cancellation, and for such additional compensatory damages as State may prove.

ARTICLE 8 – RESERVATION OF RIGHTS

The State, pursuant to the authority of La. R.S. 30:209 and other Applicable Law, does herein grant the Operator certain limited rights stated in Article 7 and does hereby retain the following rights:

8.1 **State's Rights.** The Parties acknowledge and agree that all rights within this Agreement not expressly granted to the Operator by this Agreement or necessarily implied are hereby reserved by the State. Without limiting the generality of the foregoing, reserved rights include the right to carry on, in and upon Property, such operations necessary for and in connection with the discovery, extraction, preparation, utilization, removal and sale of any and all minerals above and below the Storage Reservoir. The rights reserved may be exercised by the State, or by any other person or entity acting under authority of the State. However, the State's rights are to be exercised so as not to unreasonably interfere with the operations to be carried on by the Operator in accordance with this Agreement.

8.2 **Drill-Through Rights.** The Parties acknowledge and agree that the State shall have the right to retain and enter into new leases or operating agreements that grant the right to drill through the Storage Reservoir for the purpose of developing and production of minerals, oil, or gas on the

Property. The lessee or operator of a state lease or operating agreement must exercise their right in accordance with Section 8.4 below.

8.3 Disposition of the Property. The Parties acknowledge and agree that the State retains the right to sell, exchange, utilize, transfer, encumber, or otherwise dispose of all or any portion of the Property and all rights in the Property not expressly granted to Operator or necessarily implied by this Agreement, provided doing so does not unreasonably interfere with the rights of Operator. For the avoidance of doubt, the State reserves and retains all rights to the surface and subsurface of the Property other than those rights expressly conveyed to Operator by this Agreement.

8.4 Mutual Rights. The Parties, their successors and assigns, agree to exercise their respective rights granted and reserved herein with reasonable regard for the rights of the other and shall use only so much of Property as is reasonably necessary to conduct their operations. The exercise of the rights granted herein shall be subject to the provisions of Articles 11 and 22 of the Louisiana Mineral Code (La R.S. 31.1 *et seq.*) and all Applicable Law.

8.5 Inspection Access. The Parties acknowledge and agree that the State, or any other person or entity acting on behalf of the State, shall have access at all reasonable times via any road or waterway to inspect the Property for compliance with this Agreement and Applicable Law, as well as to exercise any right explicitly or implicitly reserved in this Agreement.

ARTICLE 9 – INSURANCE

9.1 Required Coverage. Within thirty (30) days of the Effective Date, Operator shall pay all costs and premiums for policies of insurance that provide coverage against non- and third-party claims relating to the storage operations and the Property. Policies of insurance must be issued by a carrier approved in the State of Louisiana and rated by AM Best or a similar agency not lower than “A-” with a surplus size of “VII or higher.” Policies of insurance shall be maintained in full force until the termination or expiration of this Agreement, continuing until all obligations are fulfilled. Commercial general liability policies shall name the State as an additional insured, and the issuing company must waive any right of subrogation in favor of the State, limited to the obligations and liabilities assumed by Operator under this Agreement. All policy coverage requirements shall be subject to a compounded two percent (2%) annual increase for inflation. Such policies of insurance shall be subject to the terms and conditions of the policies and shall have the following limits:

- (1) For bodily injury, One Million Dollars (\$1,000,000) per occurrence, with a Two Million Dollars (\$2,000,000) annual aggregate.
- (2) For property damage other than environmental damage, One Million Dollars (\$1,000,000) per occurrence, with a Two Million Dollars (\$2,000,000) annual aggregate.
- (3) For environmental damage, Ten Million Dollars (\$10,000,000) for each occurrence.

9.2 The coverage requirements set forth herein, shall be construed as the minimum limits of insurance Operator shall attain and purchase to perform the storage operations. The attainment and purchase of these minimum limits of coverage shall not relieve Operator from liability for losses to the extent of, or in excess of, such minimum limits if Operator liability otherwise arises

under the terms of this Agreement. At all times of this Agreement, Operator shall require all independent contractors to maintain the minimum limits stated herein while performing work on the Property.

9.3 Proof of Insurance. Operator shall provide the State with current certificates of insurance demonstrating compliance with the requirements of Section 9.1 above:

- (1) within forty-five (45) days of the Effective Date;
- (2) within fifteen (15) days following annual policy renewals during the Term of this Agreement; and
- (3) within fifteen (15) days of each reasonable request therefor by the State.

9.4 Cancellation Notice. Operator and insurance must provide written notice to OMR at least thirty (30) days prior to any cancellation or termination of the insurance policies required by Section 8.1 as stated on a standard accord cancellation form or such similar form.

9.5 Default: Affected Rights and Cure. In the event notice of cancellation of the insurance required by Section 9.1 is given and another certificate of insurance evidencing the issuance of a policy meeting all terms and conditions of Section 9.1 is not furnished by the Operator and received by State prior to cancellation, the rights granted to Operator under this Agreement shall automatically, and without further notice to Operator, be forfeited and the Operator shall immediately discontinue operations hereunder, except for operations necessary to maintain the viability of the Storage Reservoir for the purposes hereof and as necessary for health, safety, and environmental concerns. However, the reinstatement of the insurance coverage provided herein and the furnishing of a certificate of such insurance coverage to the State within ninety (90) days of the end of the thirty (30) day period for re-establishing insurance coverage after written notice of cancellation is given shall entitle the Operator to immediate reinstatement of this Agreement.

ARTICLE 10 – SECURITY INTERESTS

10.1 State Security Interest. To secure all of Operator's monetary obligations to the State under this Agreement, including payment of all Annual Payments set forth in Article 5, Operator hereby grants a first ranking security interest in, and specifically pledges and assigns in favor of the State, a first priority lien and security interest in all goods, inventory, equipment, fixtures, accounts, deposit accounts, or any other accounts in the amount up to and including any payments due to the state for the payment of rentals, bonuses, or royalties, as well as associated penalties and interest associated with these obligations, and chattel papers presently owned or hereinafter acquired by Operator ("State Security Interest"). Operator further agrees that the State may exercise all of the rights of a secured party under Louisiana law, including under the Uniform Commercial Code—Secured Transactions (La. R.S. 10:9-101, *et seq.*), regarding the State Security Interest.

10.2 Statements and Recordation Requirements. Operator acknowledges the right of, and hereby authorizes, the State to file and maintain one or more UCC financing statements to memorialize and perfect the State Security Interest. Upon the execution of this Agreement, Operator will promptly file a UCC financing statement with the clerk of court of any parish to perfect the State Security Interest and deliver a recorded copy of said UCC financing statement to the State within ten (10) days of its recording. Operator will execute and record any other documents reasonably requested by the State to perfect the State Security Interest.

10.3 Representations, Warranties, and State Rights. Operator further represents and warrants that, at the time of execution of this Agreement and when the UCC financing statement is filed by Operator, there are no prior or superior liens or security interests to the State Security Interest, including such liens or security interests arising from or relating to Operator's acquisition of this Agreement, Operator's activities under this Agreement, or both. Should the State determine that this representation and warranty is not true and correct, or if Operator fails to make any payments due to the State under this Agreement in a timely manner, the State may exercise any and all rights under this Agreement and Louisiana law to recover all sums due, plus legal interest from the date the payments were due until they are paid, and reasonable attorney fees, as well as all costs and reasonable attorney fees from filing a lawsuit to recover said sums or to dissolve this Agreement, or both.

10.4 Operator shall furnish and maintain any bond or other financial security required by Applicable Law to cover its obligations for plugging and abandonment, decommissioning, closure, and post-closure activities.

ARTICLE 11 – RELEASE OF ACREAGE

11.1 Right and Forfeiture. Operator may surrender all or any portion of the Storage Reservoir from this Agreement with the express written consent of the State. Upon a release, Operator shall forfeit any and all rights provided in this Agreement with respect to the released acreage.

11.2 Written Notice and Approval. As a prerequisite, Operator shall submit a written request to the State declaring Operator's intent to release acreage and providing a complete written property description; including the township, range, and section number of all acreage subject of the release; a map of all acreage subject of the release; and data evidencing the extent, if any, to which Operator has stored Storage Substances beneath the Property subject to the proposed release.

11.3 Recordation. Within thirty (30) days of Board approval, Operator shall record evidence of the released Property in the conveyance records of all Parishes where the released Property is located.

11.4 Liability. A release of acreage shall not have the effect of releasing Operator from any liability prior to the release that accrued in favor of the State, nor shall such partial release or surrender reduce or otherwise affect the amount of the Annual Payment provided for in this Agreement. The Parties acknowledge and agree that the release of any portion of the Storage Reservoir from this Agreement shall not decrease the amount of the Annual Payment owed to the State.

ARTICLE 12 – INDEMNIFICATION

12.1 Operator and Operator Group unconditionally agree to fully respond to, investigate, provide defense for, protect against, save, indemnify, and hold free and harmless the State, the Board, DENR, OMR, the Board members, DENR and OMR's employees, and any representatives thereof, from and against any and all demands, claims, causes of action, damages, judgments, costs, fees, expenses, and attorney's fees of whatsoever kind or nature, including, but not limited to damages to persons or property, THAT MAY ARISE OUT OF, OR BY REASON OF, THE

PERFORMANCE OF ALL SERVICES, ACTIVITIES, OBLIGATIONS, DUTIES AND OPERATIONS UNDER THIS AGREEMENT BY OPERATOR AND ANY MEMBER OF THE OPERATOR GROUP, whether resulting from an act, omission, fault, or negligence of Operator or any member of the Operator Group. The provisions of this Article shall survive the expiration or earlier termination of this Agreement.

ARTICLE 13 – WARRANTY OF TITLE AND USE

13.1 **Warranty of Title.** Notwithstanding any provision herein to the contrary, this Agreement is granted and accepted without any warranty of title and without any recourse against the State, either express or implied. The Parties acknowledge and agree that the State shall not be obligated to return any payments received pursuant to this Agreement, regardless of any subsequent litigation or judicial decrees, orders, or rulings regarding title to all or any part of Property or otherwise be responsible to Operator therefor. Operator represents that it has investigated the title or is satisfied with the title as the State may hold. The State hereby disclaims any covenant of quiet enjoyment or peaceful possession of the Property.

13.2 **Warranty of Use.** The State makes no warranties as to the condition of the Storage Reservoir and Transco accepts the Storage Reservoir “AS IS.” The State has no obligation to make any repairs, additions, or improvements to the Storage Reservoir, and the State does not warrant the suitability of the Storage Reservoir for any purposes intended by Operator or contemplated by this Agreement.

13.3 **Termination for Lack of Title.** Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate if a court of competent jurisdiction determines (and all applicable appeal delays have run or have been exhausted) that the State does not have title to the Property.

ARTICLE 14 – FORM OF NOTICES

14.1 All payments, notices, reports, statements, and any other written documents required by this Agreement to be given by any of the Parties shall be in writing and mailed or delivered to the following addresses:

If to the State:

Department of Energy and Natural Resources
Attn.: State Mineral and Energy Board
Post Office Box 2827
Baton Rouge, Louisiana 70821-2827

If to the Operator:

Transcontinental Gas Pipe Line Company, LLC
Attn: Land Department
2800 Post Oak Blvd
Suite 600
Houston, TX 77056

ARTICLE 15 – MISCELLANEOUS PROVISIONS

15.1 It is understood and agreed that this Agreement does not create any form of a partnership between the Parties, and no actions taken by either Party pursuant to the provisions of this Agreement shall operate to create such a relationship, nor shall any provision of this Agreement be construed as establishing such a relationship.

15.2 It is expressly provided that neither this Agreement, nor anything contained herein, nor any of the data, maps, or exhibits considered in connection with it (whether attached hereto or not), nor any course of conduct followed by any Party pursuant to this Agreement, shall be considered to be or permitted to serve as a basis of estoppel against any Party in matters concerning a question of title where title to the Property is in dispute, anything herein contained to the contrary notwithstanding.

15.3 This Agreement extends to and is binding upon the successors, assigns, and successive assigns of the Parties; however, it is understood and agreed that any future assignment of the rights granted under this Agreement shall only be effective upon approval by the Board, which may impose certain conditions on such approval.

15.4 This Agreement shall be interpreted and construed under the laws of the State of Louisiana. Should any provision, in whole or in part, of this Agreement be declared, found, or held invalid, illegal, or otherwise unenforceable, such declaration, finding, or holding shall not invalidate or render unenforceable the remaining provisions, which shall be construed and enforced as though the invalidated or unenforceable provision, or portion thereof, was not contained herein, provided that the remaining provisions fulfill the primary purpose of this Agreement.

15.5 The venue for any lawsuit, action, or proceeding arising out of or relating to this Agreement, shall be the Nineteenth (19th) Judicial District Court, East Baton Rouge Parish, Louisiana. Each Party irrevocably submits to the exclusive jurisdiction of said court, waives any objection which it may have now or hereafter to such venue, and waives any other venue to which it may be entitled by virtue of domicile or otherwise.

15.6 This Agreement has been read and understood by each Party. The Parties to this Agreement have freely and voluntarily executed this Agreement for the consideration recited herein. The Parties have relied solely and completely upon their own judgment, the advice of their own attorneys, and the statements contained in this Agreement, and not on any representation or statement by any person or nonparty.

15.7 This Agreement is the result of arms-length negotiations between the Parties, each of whom has had the opportunity to review and revise it prior to execution. As a result, both Parties agree that the rule of construing the terms and provisions of an instrument against the drafting party is not and shall not be applicable to this Agreement. This Agreement constitutes the entire agreement as between the Parties and it shall not be modified or amended, nor shall any of its requirements be waived, except through a subsequent written agreement executed by the Parties and approved by the Board.

15.8 Each Party represents and warrants to each and every other Party that the individuals executing this Agreement, and the agreements contemplated by this Agreement, have been duly authorized by their respective corporate principals and that this Agreement and the other

documents contemplated by this Agreement, shall be binding on the Parties hereto in accordance with the provisions of such documents.

15.9 This Agreement may be executed in counterparts and each executed counterpart shall have the same force and effect as the original instrument. If counterparts are executed, the signatures of the Parties to each counterpart may be combined into and used as a single document.

15.10 The article and section headings in this Agreement are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provisions of this Agreement.

Remainder of This Page Left Intentionally Blank

OA Number: _____

THUS DONE, READ AND ACCEPTED by the parties hereto in the presence of the respective undersigned witnesses, as of the ____ day of _____, 2025, which shall be the date of this Agreement for all purposes.

WITNESSES as to the signature of the State: STATE MINERAL AND ENERGY BOARD

Angela R. Patterson

BY: _____
Andrew Young, Secretary

Brandy Arledge

DATE: _____

WITNESSES as to the signature of Operator:

Nathan Bruce
Signature

BY: Allison Craighead
Allison Craighead, Agent & Attorney-in-Fact

NATHAN BRUCE
Print/Type Name

Allison Craighead
Allison Craighead, Agent & Attorney-in-Fact

Sadie Swan
Signature

DATE: May 5th, 2025

Sadie Swan
Print/Type Name

WITNESS FORM OF
ACKNOWLEDGMENT FOR STATE MINERAL AND ENERGY BOARD

STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

Before me, the undersigned authority, personally came and appeared: Brandy Arledge, who by me first duly sworn, deposed and said:

That he/she is one of the witnesses to the execution of the foregoing instrument and that he/she saw Andrew Young sign said instrument as Secretary of the State Mineral and Energy Board for and on behalf of the State of Louisiana, in the presence of appearer and Angela R. Patterson, the other subscribing witness.

Sworn to and subscribed before me, on this the ____ day of _____, 2025.

Brandy Arledge

Elizabeth H. Ferrier
La. Bar Roll No. 40603

WITNESS FORM OF ACKNOWLEDGMENT FOR CORPORATE LESSEE

STATE OF TEXAS
COUNTY OF HARRIS

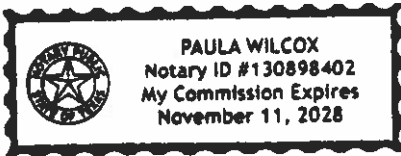
Before me, the undersigned authority, personally came and appeared Nathan Bruce who by me being first duly sworn, deposed and said:

That he/she is one of the witnesses to the execution of the foregoing instrument and that he/she saw Allison Craighead execute said instrument as Agent & Attorney-in-Fact of Transcontinental Gas Pipe Line Company, LLC as the free act and deed of said corporation in the presence of appearer and Sadie Swan, the other subscribing witness.

Sworn to and subscribed before me, on this the 5th day of May, 2025.


Signature

Paula Wilcox
Print/Type



Notary Public

ACKNOWLEDGMENT FOR INDIVIDUAL LESSEE

STATE OF _____
_____ OF _____

Before me, the undersigned authority, personally came and appeared _____, who by me being first duly sworn, deposed and said:

That he/she is one of the witnesses to the execution of the foregoing instrument and that he/she saw _____ execute said instrument as his own free act and deed in the presence of appearer and _____, the other subscribing witness.

Sworn to and subscribed before me, on this the ____ day of _____, 2025.

Signature

Print/Type

Notary Public