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Texas Intrastate Tariff No. 3

**(Cancels Texas Intrastate
Tariff No. 2 in its entirety)**

RECEIVED
RRC OF TEXAS
JUN 28 2010
SAFETY DIVISION
AUSTIN, TEXAS

LDH ENERGY HASTINGS LLC

RATE and VOLUME INCENTIVE TARIFF

Applying on the Intrastate Transportation of

ETHANE/PROPANE MIX AND PROPANE

Transported by Pipeline

FROM ORIGIN AT

The LDH Energy Mont Belvieu L.P. Facility in CHAMBERS COUNTY, TEXAS

TO DESTINATION AT

HASTINGS, TEXAS

EFFECTIVE: July 1, 2010

ISSUED AND COMPILED BY

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GENERAL RULES & REGULATIONS

The General Rules & Regulations published herein apply in their entirety to the services covered by this Tariff, i.e., to the intrastate transportation of Products between the origin point and destination delivery point named herein.

ITEM NO. 5 *A List of Definitions*

Barrel	Forty-two United States gallons at 60° F.
Carrier	LDH Energy Hastings LLC.
Product or Products	Ethane/propane mix and propane. Represents the transportation of Product under the terms and conditions of this Tariff.
Shipment(s)	The party or parties who contract with Carrier for the transportation of Product under the terms of this Tariff.
Shipper(s)	

ITEM NO. 10 *Allocation*

When there is offered to Carrier Product quantities greater than can be transported between origin and destination, Carrier shall allocate transportation capacity on an equitable basis.

Allocation of capacity will be based on the Shipper's historical volume. The historical volume is the Shipper's Product movement during the first twelve (12) calendar months following a date thirteen (13) calendar months prior to the first day of the calendar month during which capacity will be allocated.

Allocation will be given as a daily volume, on an equitable basis, and will be calculated for the calendar month.

Allocation shall not be transferred. With agreement of the Shippers concerned, historical volume will be transferred under the following conditions:

- (i) No commercial transaction occurs between the participating Shippers with regard to historical volumes.
- (ii) The transfer is irrevocable.
- (iii) The request to transfer must be the result of an unusual situation as may be reasonably determined by the Carrier on an equitable basis.

Shippers that desire to ship, but have less than one hundred (100) barrels per day of capacity, are designated "New Shippers". New Shippers will receive one hundred (100) barrels per day of capacity until the total barrels received by the New Shippers exceeds five percent (5%) of the total capacity of Carrier, at which time all New Shippers shall receive an equal portion of the five percent (5%) of the total capacity of Carrier.

GENERAL RULES & REGULATIONS (Continued)

ITEM NO. 20

Claims, Time for Filing

As a condition precedent to recovery, claims must be made in writing to Carrier within nine (9) months after receipt of delivery of the Products, or in case of a failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suit against Carrier must be instituted by Shipper or its consignee 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 specified in the notice. Where claims for loss or damage are not filed or suits are not instituted thereon in a timely manner in accordance with the foregoing provisions, such claims will not be paid, and Carrier will not be liable therefor.

ITEM NO. 25

Facilities Required at Origin & Destination

Shipments will be accepted for transportation hereunder only when: (a) Shipper has provided facilities satisfactory to Carrier capable of delivering Products at the point of origin at pressures and at volumetric flow levels required by Carrier, and (b) Shipper or consignee has provided the necessary facilities at destination for receiving such Shipments without delay at pressures and at volumetric flow levels required by Carrier. Shipments will be accepted for transportation to destination hereunder only when—in Carrier's judgment—Shipper or its consignee has provided the necessary facilities for matching schedules and line rates or Carrier—in its judgment—has such facilities sufficiently available for Products of the same kind and specification at Hastings, Texas.

ITEM NO. 30

Identity of Shipments and Commingling

Carrier will make reasonable efforts to transport common Shipments of Products with a minimum of contamination.

Subject to the foregoing, Carrier will reasonably endeavor to maintain the identity of individual Shipments of Products. However, in view of the impracticability of maintaining the identity of Shipments, Carrier reserves the right at any time to substitute and deliver a Product similar to the Product shipped.

ITEM NO. 35

Liability of Carrier

Carrier shall not be liable for any loss or delay of, or damage to Products in or formerly in its possession caused by an act of God, public enemy, quarantine, authority of law, strike, riot, fire, flood, or act or default of Shipper or its consignee, or for any other cause not due to the sole negligence of Carrier, whether similar or dissimilar to the causes herein enumerated; in such cases, except when Products involved in such loss are part of a common Shipment, the owner of the Products shall stand the loss without any right of recourse. In case the Product involved is part of a common Shipment, the owner shall stand the loss from Carrier in the same proportion as the amount accepted for transportation and actually in Carrier's custody bears to the whole of the common Shipment of all other Shippers participating in the common Shipment from which the loss occurs. The owner of such Product shall be entitled to receive only such portion of its common Shipment as is left after deducting the due proportion of the loss as determined above. Carrier shall not be liable for discoloration, commingling, contamination, or deterioration of Products transported unless such discoloration, commingling, contamination or deterioration is caused by the sole negligence of Carrier. Normal commingling which occurs between batches may be divided as equitably as practicable among Shippers participating in the batches causing the commingling.

GENERAL RULES & REGULATIONS (Continued)

ITEM NO. 65 *Products Acceptable*

Carrier reserves the right to reject any Products under this Tariff which would—in Carrier's sole opinion—have a potential adverse effect on any Product Shipments or otherwise disrupt the efficient use of Carrier's facilities. Products tendered by Shipper pursuant to this Tariff shall meet the specifications for the individual Product as set forth in Carrier's applicable rules and regulations.

Subject to these General Rules & Regulations, Products as herein defined will be accepted for transportation at the origin at such time as Products of similar quality and specifications are currently being transported or Carrier is scheduling such Products for Shipment from such origin to destination in accordance with Carrier's sequence of pumping.

Shipper may be required by Carrier to inject oil-soluble corrosion inhibitors acceptable to Carrier in the Products to be transported. Carrier, for corrosion protection, may inject corrosion inhibitors, and Products containing such inhibitors shall be accepted by Shipper or consignee of Shipper at destination.

ITEM NO. 70 *Products Involved in Litigation or Encumbered*

Carrier shall have the right to reject any Products, when offered for transportation, which may be involved in litigation, or the title of which may be in dispute, or which may be encumbered by lien or charge of any kind, and Carrier may require of Shipper satisfactory evidence of perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any and all losses.

ITEM NO. 80 *Tenders*

Carrier shall not be obligated to accept tenders for transportation of Products during any calendar month unless the Shipper shall, on or before the fifteenth day of the preceding calendar month, notify the Carrier in writing of the quantity of such Products which it desires to transport on Carrier's pipeline.

Shipper shall be permitted by Carrier, on forty-eight (48) hours written notice, to change the quantity of Product tendered from Origin to Destination on any day and Carrier shall make commercially reasonable efforts on an equitable basis to accommodate the change.

ITEM NO. 85 *Testing*

Shipper shall furnish Carrier with a certificate setting forth in detail the specifications of each Shipment of Products offered for transportation under this Tariff, and Shipper shall be liable for any contamination or damage to other Products being transported, or to Carrier's pipeline or other facilities in the event the Products tendered and shipped fail to meet the specifications stated in Shipper's certificate. Carrier may—but shall not be required to—sample and/or test any Shipment prior to acceptance or during receipt of Shipment, and in the event of variance between said certificate and Carrier's test, Carrier's test shall prevail as to the specifications of Products received.

ITEM NO. 90 *Interface*

Shipper shall accept, and be responsible for handling, any interface generated within or between Products.

ITEM NO. 95***Volume Incentive Program***

- (a) A Shipper must notify Carrier in writing on or before December 15, 2007 of its intention to use the Volume Incentive Rates published in Item 100 of this Tariff.
- (b) Under the provisions of this Volume Incentive Program, a Shipper will pay Carrier the per Barrel tariff rate indicated in Item 100 of this Tariff for transportation commencing on the first day of the following month after written notification to Carrier.
- (c) Shipper guarantees to transport a minimum of 6,570,000 barrels (Minimum Volume) from the Origin to the Destination during each of five (5) consecutive twelve (12) month periods (Commitment Period).
- (d) Within thirty (30) days after the end of each of the five (5) consecutive twelve (12) month periods within the Commitment Period, Carrier will notify Shipper of the actual volume transported under the provisions of this Volume Incentive Program.
- (e) If at the end of any of the five (5) consecutive twelve (12) month periods within the Commitment Period the actual volume transported is less than the Minimum Volume, Carrier will invoice Shipper and Shipper will pay Carrier for the deficient volume. The deficient revenue calculation for each of the five (5) consecutive twelve (12) month periods within the Commitment Period shall be any amount by which the Actual Revenue is less than the Required Revenue as defined below:

Required Revenue = (5,475,000 Barrels multiplied by 45.57 Cents per Barrel) + (1,095,000 Barrels multiplied by 40.21 Cents per Barrel)

Actual Revenue = Total Revenue paid to Carrier by Shipper based on actual barrels moved during the twelve (12) month period

- (f) Carrier shall invoice Shipper within thirty (30) days after the end of any of the five (5) consecutive twelve (12) month periods, and Shipper shall make payment of the deficient revenue to Carrier in accordance with Carrier's then current published payment policy
- (g) During each of the five (5) consecutive twelve (12) month periods within the Commitment Period, a Shipper may declare one (1) Turnaround Event with ninety (90) days prior written notice to Carrier. A Turnaround Event is any scheduled shut down of a Shipper's facility, to which deliveries are made, for maintenance or improvement purposes that is scheduled to last approximately thirty-five (35) days. A Shipper shall not be required to move any volume from the Origin to the Destination during a Turnaround Event, and in any of the five (5) consecutive twelve (12) month periods where a qualifying Turnaround Event occurs, the Volume Commitment for that twelve (12) month period will be reduced by 18,000 Barrels per day times the number of days that a Shipper's Plant is down for such maintenance or improvements but not to exceed thirty-five (35) day in any of the five (5) consecutive twelve (12) month periods.
- (h) In the event a Shipper is unable to transport the Minimum Volume caused by an act of God, or of the public enemy, quarantine, authority of law, strikes, riots, fire, floods, or by act of default of the Carrier which is uncontrollable by the Carrier, or due to allocation, or resulting from any other cause which is beyond the control of a Shipper, whether similar or dissimilar to the causes herein enumerated, a Shipper will be released on a ratable basis from the Minimum Volume requirement for each day or portion of a day of loss caused by any of the above stated acts, events or forces. To be available for such release, a Shipper must notify Carrier as soon as possible of the full particulars of occurrence.

ITEM NO. 100**Rates**

Origin	Destination	Local Rate	Volume Incentive Rates	Twelve Month Period Volume Incentive Levels in Barrels
The LDH Energy Mont Belvieu L.P. Facility in Chambers Co., TX	Hastings, Brazoria Co., TX	45.57¢	45.57¢ 40.21¢ 32.94¢	At or below 5,475,000 5,475,001-6,935,000 Above 6,935,001

All rates in this tariff are expressed in cents-per-barrel of forty-two (42) U.S. gallons and are governed by the provisions found under the General Rules & Regulations herein.

ROUTING INSTRUCTIONS: Unless otherwise specified, all rates apply via LDH Energy Hastings LLC.

Explanation of Abbreviations	
Bbl.	Barrel
Co.	County
F	Fahrenheit
FERC	Federal Energy Regulatory Commission
No.	Number
¢	Cents
%	Percent
&	And
°	Degrees
Explanation of Reference Marks	
[C]	Cancel
[N]	New
[U]	Unchanged rate
[W]	Change in wording only