

**PRECEDENT AGREEMENT FOR
FIRM TRANSPORTATION SERVICE
ON
QUESTAR PIPELINE COMPANY'S MAINLINE 68 EXPANSION**

This Precedent Agreement for Firm Transportation Service (Agreement) is made and entered on this date _____, by and between **Questar Pipeline Company** (Questar) and _____, (Shipper). Questar and Shipper may be referred to as the "Parties" or individually as a "Party."

The Parties Represent as follows:

- A. Questar owns and operates an interstate natural gas transmission system subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC); and
- B. Questar initiated an open season on June 7, 2010, for Shippers desiring firm transportation service on Questar's Mainline 68 expansion to the White River Hub, TransColorado or points on Questar's Northern System, and
- C. Shipper has requested firm transportation during Questar's open season.
- D. Questar and Shipper are willing to execute a transportation service agreement (TSA) for firm transportation service subject to the terms and conditions of this Agreement.

The Parties Agree as Follows:

**ARTICLE 1
FIRM TRANSPORTATION SERVICE COMMITMENT**

1.1 In response to the open season, Shipper has requested a TSA for the transportation service described on Exhibit A.

1.2 The availability of capacity for the requested service is subject to: (i) sufficient customer support for the expansion projects, (ii) the availability of requested receipt point locations, (iii) Questar's receipt of all necessary management and governmental approvals to construct the facilities necessary to provide the services contemplated by this Agreement in a form acceptable to Questar, (iv) Questar's ability to construct the required expansion facilities. The commencement date under the TSA shall be the date that the facilities are placed in service.

1.3 After evaluating all the new service requests received in the open season, Questar will tender a TSA to Shipper reflecting the service provisions set forth on Exhibit A, except that the reserved daily capacity (RDC) set forth on Exhibit A may be reduced to reflect capacity allocations of receipt and delivery point capacities. The TSA will be tendered no later than 30 days prior to the date

Questar files its application for a FERC certificate. Shipper agrees to execute and return the TSA within 15 days of being tendered by Questar for execution.

1.4 If, by March 1, 2011, the expansion capacity is not fully subscribed or Questar has not received and accepted the necessary permits and regulatory approvals or has been unable to finalize contracts necessary for Questar to construct the expansion facilities or provide service under the TSA, Questar has the option to terminate the TSA by providing written notice to Shipper not later than April 30, 2011 or alternatively providing its best estimate of an in-service date.

1.5 Questar agrees to use commercially reasonable efforts to receive all required approvals and permits to construct the facilities necessary to provide the service contemplated by this Agreement. However, Questar will not be liable to Shipper for any damages for its inability or failure to construct the facilities or provide the services contemplated by this Agreement.

ARTICLE 2 TERMINATION

Unless terminated by Questar pursuant to Section 1.4, this Agreement will terminate on the date of execution of the TSA by both Parties and thereafter Questar's and Shipper's rights and obligations related to firm transportation service on Questar's interstate natural gas transmission system shall in all respects be subject to the terms and conditions of such TSA and Questar's Tariff.

ARTICLE 3 CREDITWORTHINESS

Shipper agrees to comply with Questar's creditworthiness requirements as defined in Section 10 of Questar's FERC Gas Tariff and Questar's credit requirements for the construction of system expansion facilities to provide incremental firm transportation service.

ARTICLE 4 SUCCESSION AND ASSIGNMENT

4.1 Any entity which shall become a successor to this Agreement by purchase, merger or consolidation shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

4.2 Either Questar or Shipper may, without relieving itself of its obligations under this Agreement, assign this Agreement to any entity or entities, with which it is affiliated, including without limitation any wholly owned subsidiary subject to satisfying Questar's creditworthiness standards. Otherwise, no assignment of this Agreement nor of any of the rights or obligations hereunder shall be effective without the express prior written consent of the other Party, which shall not be unreasonably withheld. Shipper acknowledges and agrees that Questar may decline to consent to an assignment by Shipper to a party that does not or cannot demonstrate satisfaction of Questar's creditworthiness tariff provisions.

4.3 Questar shall have the right to pledge this Agreement, or any and all of Questar's rights there under, as security for any indebtedness incurred by Questar in connection with the financing or refinancing of Questar and to assign this Agreement in accordance with the terms and conditions of any agreement with third parties pertaining to any such indebtedness.

**ARTICLE 5
NO THIRD PARTY BENEFICIARIES**

This Agreement shall not create any rights in any third parties, and no provision shall be construed as creating any obligations for the benefit of, or right in favor of, any person or entity other than Questar or Shipper.

**ARTICLE 6
NOTIFICATIONS AND COMMUNICATIONS**

Except as otherwise provided herein, any notice contemplated or required by this Agreement shall be in writing, and shall be considered duly delivered when sent by registered or certified mail, or by telefacsimile, to the appropriate address set forth below, or at such other address as Questar or Shipper may from time to time designate by express written notice.

Questar Pipeline Company
Attn: Director Business Development
180 East 100 South
Salt Lake City, Utah 84111
Phone: (801) 324-5349
Fax: (801) 324-2578

Shipper: _____
Attn: _____
Address: _____
Address: _____
Phone: _____
Fax: _____

**ARTICLE 7
ENTIRE AGREEMENT**

7.1 This Agreement contains the entire agreement between Questar and Shipper with respect to the subject matter hereof, and supersedes any and all prior agreements, understandings and commitments, whether oral or written, concerning the subject matter hereof, and any and all such prior agreements, understandings and commitments are hereby deemed to be void and of no effect.

7.2 No amendments to or modifications of this Agreement shall be effective unless agreed upon in a written instrument executed by Questar and Shipper, which expressly refers to this Agreement.

**ARTICLE 8
GOVERNING LAW**

The construction, interpretation, and enforcement of this Agreement shall be governed by the laws of Utah, excluding any conflict of law rule, which would refer any matter to the laws of a jurisdiction other than Utah.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the day and year first above written.

SHIPPER:

QUESTAR PIPELINE COMPANY:

By _____

By _____

Its _____
(Please type name and Title)

Shelley A. Wright
General Manager Marketing and
Business Development

EXHIBIT A
To
Precedent Agreement between Questar and Shipper

Reserved Daily Capacity (RDC) _____ **Dth/d**

Minimum Acceptable RDC _____ **Dth/d**

Rate:¹ **\$5.28804/Dth/Month**

Minimum acceptable reservation rate is: \$5.28804/Dth/Month

Minimum contract term: 10 years from the date capacity is made available

Primary Receipt Point²

Maximum Receipt Point Quantity³

Primary Delivery Point³

Maximum Delivery Point Quantity⁴

¹Rates do not include usage charges, fuel reimbursement charges and ACA, and other FERC approved surcharges.

²The parties may negotiate revisions to the listed primary points and quantities if necessary to match capacity availability.

³Total Receipt Point RDC must equal Total Delivery Point RDC.