



January 28, 2015

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**ANR Pipeline Company**  
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Re: ANR Pipeline Company  
Non-Conforming Agreements with Negotiated Rates  
Docket No. RP15- -

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations,<sup>1</sup> ANR Pipeline Company (“ANR”) hereby tenders for filing and acceptance revised tariff sections Part 1 – Table of Contents (“Table of Contents”) and Part 6.28 – GT&C, Non-Conforming Agreements (“Section 6.28”) to be part of its FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”), and certain tariff records which contain service agreements that ANR has entered into with Antero Resources Corporation (“Antero”), including one (1) Rate Schedule FTS-1 (“FTS-1”) service agreement containing non-conforming provisions and negotiated rates<sup>2</sup> and one (1) FTS-1 service agreement containing non-conforming provisions<sup>3</sup> (collectively “Agreements”), all of which are included as Appendix A.<sup>4</sup> ANR respectfully requests that the Commission accept the proposed tariff sections and Agreements to become effective March 1, 2015.

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<sup>1</sup> 18 C.F.R. Part 154 (2015).

<sup>2</sup> FTS-1 Contract No. 125082 contains non-conforming provisions and negotiated rates (“Contract No. 125082”).

<sup>3</sup> FTS-1 Contract No. 125083 contains non-conforming provisions (“Contract No. 125083”).

<sup>4</sup> *Electronic Tariff Filings*, 124 FERC ¶ 61,270 (2008) (“Order No. 714”). Order No. 714 at P 42. Order No. 714 states that “Negotiated rate agreements and other non-conforming service agreements need not be divided, but can be filed as entire documents.” ANR has elected to file the Agreements included herein as whole documents, in PDF format.

The names, titles, mailing addresses, and telephone numbers of those persons to whom correspondence and communications concerning this filing should be addressed are as follows:

John A. Roscher Director, Rates and Tariffs	* David R. Hammel Senior Legal Counsel ANR Pipeline Company 700 Louisiana Street, Suite 700 Houston, Texas 77002-2700 Tel. (832) 320-5861 Fax (832) 320-6861 E-mail: dave_hammel@transcanada.com
* Joan F. Collins Manager, Tariffs and Compliance ANR Pipeline Company 700 Louisiana Street, Suite 700 Houston, Texas 77002-2700 Tel. (832) 320-5651 Fax (832) 320-6651 E-mail: joan_collins@transcanada.com	

\* Persons designated for official service pursuant to Rule 2010.

### **Statement of the Nature, Reasons and Basis for Filing**

#### *Background*

Between March 7 and March 14, 2014, ANR conducted a binding open season (“Open Season”) to determine the level of interest in ANR’s proposed Southeast Mainline System Reversal Project (“Project”). As posted in the Open Season, the Project could make available up to 600,000 Dth per day of additional long-term firm capacity for receipt of Marcellus, Utica, and potentially other regional gas supply in ANR’s ML-3 rate zone for delivery at ANR’s Southeast Area Headstation in ANR’s ML-1 rate zone to serve expanding markets in the Louisiana Gulf Coast region.<sup>5</sup> As part of its winning bid for the total additional capacity made available in the Open Season, Antero completed and submitted the precedent agreement that was attached to the Open Season’s binding bid form. As a result, ANR and Antero entered into the Agreements, which are submitted herein, with an effective date of March 1, 2015.

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<sup>5</sup> The Project does not propose to change the existing certificated capacity of ANR’s southeast mainline system, but rather is intended to provide ANR with the capability to reverse flows on the system in a southerly direction. To make available 600,000 Dth per day of additional long-term firm capacity from ANR’s rate zone ML-3 to ANR’s Southeast Area Headstation, the Project requires the installation of auxiliary facilities and peripheral equipment at ten (10) existing compressor stations, between Shelbyville, Indiana and Eunice, Louisiana, to allow for bi-directional flows along ANR’s southeast mainline system. All work required by the Project will be completed pursuant to Section 2.55(a) of the Commission’s regulations.

### *Instant Filing*

The Agreements submitted herein contain provisions which deviate from the applicable FTS-1 *pro forma* Form of Service Agreement (“PFSA”) in ANR’s Tariff. The Further Agreement section of the Agreements (*i.e.*, Article 8) includes non-conforming provisions which set forth the creditworthiness requirements that were a part of the precedent agreement that Antero submitted in the Open Season.<sup>6</sup> As Antero is the sole holder of the Project’s capacity, such creditworthiness requirements are necessary to ensure that ANR’s financial commitment to the Project is protected through the initial term of Antero’s service. ANR believes such creditworthiness provisions are necessary to support the Project and are consistent with Commission precedent concerning creditworthiness issues as well as the Commission’s Policy Statement regarding collateral requirements for construction projects.<sup>7</sup>

Pursuant to Section 154.112(b) and 154.201 of the Commission’s regulations, ANR is filing herein copies of the executed Agreements as tariff records 9.30 and 10.37, included within Appendix A, and marked versions of the Agreements in Appendix C to identify any differences from the PFSA contained in ANR’s Tariff. ANR is including in the instant filing revised Section 6.28-GT&C, Non-Conforming Agreements to reference the Agreements as non-conforming in its Tariff.

Additionally, Contract No. 125082 is filed herein as a service agreement containing negotiated rates.<sup>8</sup> ANR and Antero have mutually agreed that Antero’s reservation rate under Contract No. 125082 shall be the maximum applicable ML-3 to Southeast Area (SE) reservation rate, which is a rate that is greater than the applicable maximum reservation rate for the transportation path reflected on the Primary Route Exhibit of Contract No. 125082. ANR advises that no undisclosed agreements, etc., are linked to Contract No. 125082.<sup>9</sup>

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<sup>6</sup> Both Contract Nos. 125082 and 125083 (the “Agreements”) include creditworthiness provisions which are identical to those appearing in the precedent agreement submitted by Antero in the Open Season.

<sup>7</sup> *Creditworthiness Standards for Interstate Natural Gas Pipelines*, 111 FERC ¶ 61,412 at P 17 to 19, and 21 (2005).

<sup>8</sup> On May 28, 1999, in Docket No. RP99-301-000, the Commission approved, subject to conditions, Section 6.27 of the General Terms and Conditions of ANR’s Tariff, which authorized ANR to enter into negotiated rate agreements with its customers. *ANR Pipeline Company*, 87 FERC ¶ 61,241 (1999).

<sup>9</sup> Contract No. 125082 filed herein provides all of the information required by Section 6.27 of ANR’s Tariff, including: (1) the exact legal name of the Shipper; (2) the negotiated rate; (3) the applicable rate schedule; (4) the receipt and delivery points; and (5) the contract quantities.

To conform with Order No. 714, ANR is submitting the Agreements<sup>10</sup> in their entirety as tariff records 9.30 and 10.37. Each tariff record includes the original agreement and any subsequent amendments. Additionally, revised Table of Contents is submitted herein in Appendix A to reflect the housing of the Agreements in ANR's Tariff. ANR is requesting that the Commission accept the tariff sections and Agreements to become effective March 1, 2015.

### **Effective Date**

ANR respectfully requests that the Commission accept the tariff sections and Agreements included in Appendix A to become effective March 1, 2015.

### **Other Filings Which May Affect This Proceeding**

There are no other filings before the Commission that may significantly affect the changes proposed herein.

### **Contents of Filing**

In accordance with Section 154.7 of the Commission's regulations and Order No. 714, ANR is submitting the following XML filing package, which includes:

1. This transmittal letter;
2. Clean tariff sections and tariff records (Appendix A);
3. Marked tariff sections (Appendix B); and
4. Marked service agreements (Appendix C).

### **Certificate of Service**

As required by Sections 154.7(b) and 154.208 of the Commission's regulations, copies of this filing are being served on all of ANR's existing customers and interested state regulatory agencies. A copy of this letter, together with the other attachments, is available during regular business hours for public inspection at ANR's principal place of business.

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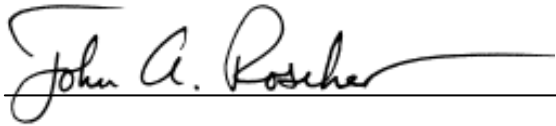
<sup>10</sup> Order No. 714 at P 13. Order No. 714 states that "...all new...agreements must be filed using the standards. Existing agreements need to be filed electronically only when they are revised."

Pursuant to Section 385.2005 and Section 385.2011(c) (5), the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of his knowledge and belief. The undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to Joan Collins at (832) 320-5651.

Respectfully submitted,

ANR PIPELINE COMPANY

A handwritten signature in black ink that reads "John A. Roscher". The signature is written in a cursive style and is positioned above a solid horizontal line.

John A. Roscher  
Director, Rates & Tariffs

Enclosures

# Appendix A

## *ANR Pipeline Company*

### *FERC Gas Tariff, Third Revised Volume No. 1*

#### Clean Tariff

<u>Tariff Sections</u>	<u>Version</u>
1 – TABLE OF CONTENTS	v.30.0.2
6.28 – GT&C, Non-Conforming Agreements	v.11.0.0

#### Tariff Records

<u>Tariff Record</u>	<u>Shipper</u>	<u>Rate Schedule</u>	<u>Agreement</u>	<u>Version</u>
<b>Section 9 – Non-Conforming Agreements with Negotiated Rates</b>				
9.30	Antero Resources Corporation	FTS-1	#125082	v.0.0.0
<b>Section 10 – Non-Conforming Agreements</b>				
10.37	Antero Resources Corporation	FTS-1	#125083	v.0.0.0

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1. Midland Cogeneration Venture Limited Partnership FTS-1 Agreements, dated August 30, 2001.  
  
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2. Wisconsin Gas LLC, ETS Agreement, dated September 27, 2004.  
  
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3. Wisconsin Public Service Corporation, ETS Agreement, dated October 22, 2004.  
  
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4. Wisconsin Public Service Corporation, FTS-1 Agreement, dated October 22, 2004.  
  
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5. Callon Petroleum Operating Company, Habanero Lease Dedication Agreement, dated December 1, 2003.
6. PXP Offshore LLC, Letter Agreement Regarding Natural Gas Reserve Commitment, dated September 1, 2002.
7. Kerr-McGee Oil & Gas Corp., Red Hawk Lease Dedication Agreement, dated September 12, 2002.
8. ExxonMobil Gas Marketing Company, Lease Dedication Agreement, dated November 1, 2002.
9. BP Exploration & Production, Inc., Red Hawk Lease Dedication Agreement, dated November 1, 2002.
10. Wisconsin Electric Power Company, ETS Agreement, dated September 27, 2004.  
  
Contract No. 107896
11. Conoco Phillips Company, Magnolia Lease Dedication Agreement, dated February 1, 2004.
12. Chevron U.S.A. Inc. & BHP Billiton Petroleum (Deepwater) Inc., Lease Dedication Agreement, dated November 14, 2001.

13. City Gas Company, FTS-1 Agreement, dated June 28, 2004.  
Contract No. 109610
14. Centra Gas Manitoba, Inc., FTS-1 Agreement, dated August 1, 2004.  
Contract No. 109713
15. Wisconsin Electric Power Company, ETS Agreement, dated August 18, 2014.  
Contract No. 124961
16. Antero Resources Corporation, FTS-1 Agreements, dated September 22, 2014.  
Contract Nos. 125082, 125083
17. Reserved For Future Use.
18. Indeck-Corinth Limited Partnership and ABN-AMRO Bank, N.V.,  
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23, 2006.  
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22. Wisconsin Gas LLC, FTS-1 Agreement, dated April 21, 2003.  
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23. Wisconsin Electric Power Company, FTS-1 Agreement, dated April 21, 2003.  
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24. Wisconsin Gas LLC, ETS Agreement, dated October 17, 2003.  
Contract No. 109854
25. Reserved For Future Use.

26. Reserved For Future Use.
  
27. Wisconsin Gas LLC, ETS Agreement, dated August 25, 2011.  
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28. Wisconsin Gas LLC, ETS Agreement, dated June 27, 2002.  
Contract Nos. 107877, 107879
  
29. Wisconsin Gas LLC, FSS Agreement, dated June 26, 2002.  
Contract Nos. 107870, 107871, 107880, 107881
  
30. Wisconsin Electric Power Company, ETS Agreement, dated June 27, 2002.  
Contract Nos. 107895, 107897, 107898, 107899
  
31. Wisconsin Gas LLC, NNS Agreement, dated June 27, 2002.  
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32. Wisconsin Electric Power Company, NNS Agreement, dated June 27, 2002.  
Contract No. 107997
  
33. Wisconsin Gas LLC, FSS Agreement, dated April 21, 2003.  
Contract Nos. 109210, 109211
  
34. Wisconsin Gas LLC, ETS Agreement, dated April 21, 2003.  
Contract No. 109218
  
35. Wisconsin Electric Power Company, ETS Agreement, dated April 21, 2003.  
Contract No. 109222
  
36. Wisconsin Electric Power Company, FSS Agreement, dated April 21, 2003.  
Contract Nos. 109225, 109226, 109227

37. Wisconsin Gas LLC, FSS Agreement, dated July 22, 2011.  
Contract No. 118552
38. Wisconsin Electric Power Company, ETS Agreement, dated July 22, 2011.  
Contract Nos. 118787, 118789
39. Wisconsin Gas LLC, ETS Agreement, dated July 22, 2011.  
Contract Nos. 118793, 118794
40. Tennessee Valley Authority, FTS-3 Agreement, dated July 23, 2008.  
Contract Nos. 114655, 114656
41. Wisconsin Public Service Corporation, ETS Agreement, dated October 6, 2004.  
Contract Nos. 1600, 5450, 106322
42. Wisconsin Public Service Corporation, NNS Agreement, dated October 6, 2004.  
Contract No. 99515
43. Wisconsin Public Service Corporation, FTS-1 Agreement, dated October 6, 2004.  
Contract Nos. 104404, 104405, 106199
44. Wisconsin Public Service Corporation, FSS Agreement, dated March 28, 2008.  
Contract Nos. 114369, 114370
45. Wisconsin Gas LLC, ETS Agreement, dated June 26, 2002.  
Contract No. 107873
46. Wisconsin Electric Power Company, ETS Agreement, dated June 26, 2002.  
Contract No. 107893
47. Madison Gas and Electric Company, FTS-1 Agreement, dated April 8, 2008.



Contract No. 114512

48. Chevron U.S.A. Inc., PTS-2 Agreement, dated November 14, 2001.

Contract No. 107146

49. BHP Billiton Petroleum (Deepwater) Inc., PTS-2 Agreement, dated November 14, 2001.

Contract No. 107147

50. PXP Offshore LLC, PTS-2 Agreement, dated September 12, 2002.

Contract No. 108250

51. Wisconsin Electric Power Company, FSS Agreement, dated June 26, 2002.

Contract Nos. 107889, 107900, 107901

52. Wisconsin Gas LLC, FSS Agreement, dated October 10, 2007.

Contract No. 113715

53. Wisconsin Electric Power Company, FSS Agreement, dated October 10, 2007.

Contract No. 113729

54. Wisconsin Gas LLC, ETS Agreement, dated October 31, 2007.

Contract No. 113710

55. Wisconsin Electric Power Company, ETS Agreement, dated November 1, 2007.

Contract No. 114091

Firm Transportation Service Agreement  
Rate Schedule FTS-1

Antero Resources Corporation  
(#125082)

Agreement Effective Date: March 1, 2015  
Amendment No. 01 Effective Date: March 1, 2015

Date: September 22, 2014

Contract No.: 125082

### FTS - 1 SERVICE AGREEMENT

This AGREEMENT is entered into by ANR Pipeline Company (Transporter) and ANTERO RESOURCES CORPORATION (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**

Pursuant to Part 284 of the Federal Energy Regulatory Commission's (FERC or Commission) Regulations.

2. **RATE SCHEDULE: Firm Transportation Service (FTS - 1)**

3. **CONTRACT QUANTITIES:**

Primary Routes- see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

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4. **TERM OF AGREEMENT:**

This Agreement shall be effective as of March 1, 2015 and shall continue in full force and effect through February 28, 2045; provided, however, Transporter shall be under no obligation to receive or to deliver any quantities of natural gas hereunder prior to the "Commencement Date." The "Commencement Date" shall be the later of March 1, 2015, or the in-service date of the Southeast Mainline Reversal Project, which is necessary to provide the services hereunder. In no event shall the Commencement Date be prior to March 1, 2015, unless mutually agreed to in writing by Transporter and Shipper.

Date: September 22, 2014

Contract No.: 125082

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as provided herein.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest changes in rates in whole or in part.

6. **INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

7. **NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sup>tm</sup>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

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**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street, Suite 25000  
Houston, Texas 77002-2761  
Attention: Commercial Services

Date: September 22, 2014

Contract No.: 125082

**SHIPPER:**

ANTERO RESOURCES CORPORATION  
1615 WYNKOOP STREET  
DENVER, CO 80202  
Attention: JUSTIN FOWLER

Telephone: 303-357-6735  
FAX: 303-357-7315

**INVOICES AND STATEMENTS:**

ANTERO RESOURCES CORPORATION  
1615 WYNKOOP STREET  
DENVER, CO 80202  
Attention: SHERRY ANDERSON

Telephone: 303-357-7145  
FAX: 303-825-3112

**8. FURTHER AGREEMENT:**

**Creditworthiness**

During the initial term of this Agreement, Shipper understands and agrees that it will establish and maintain creditworthiness in accordance with Section 8(1) below, or provide and maintain Credit Support pursuant to Section 8(2) below.

---

(1) Shipper will be deemed creditworthy if its unenhanced senior unsecured debt securities are rated at least BBB- by Standard & Poor's Financial Services LLC ("S&P") or at least Baa3 by Moody's Investors Service, Inc. ("Moody's"). In the event Shipper is rated by both S&P and Moody's, the lower rating applies. Nothing herein shall limit Transporter's ability to evaluate any of the factors set forth in (A) – (F) below where Shipper's creditworthiness is established by a rating agency if such factor(s) would alter Transporter's evaluation of Shipper. If Shipper currently has service agreements with Transporter, the total of potential charges of all such service agreements shall be considered in determining creditworthiness.

If Shipper does not meet the creditworthiness standard described above, then Transporter shall evaluate creditworthiness based upon the level of Shipper's current and requested service with Transporter relative to Shipper's current and future ability to meet its

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obligations. Such creditworthiness evaluation shall be based upon Transporter's evaluation of any or all of the following information:

- A. S&P, Moody's and other credit reporting agencies' opinions, outlooks, watch alerts, and rating actions.
  - B. Financial reports whereby consistent financial statement analysis will be applied by Transporter to determine the acceptability of Shipper's current and future financial strength. Shipper's balance sheets, income statements, cash flow statements, notes to financial statements, and auditor's opinions will be analyzed along with key ratios and trends regarding liquidity, asset management, debt management, debt coverage, capital structure, operational efficiency and profitability.
  - C. Whether Shipper is operating under any chapter of the bankruptcy code and is subject to liquidation or debt reduction procedures under state laws and whether there is pending any petition for involuntary bankruptcy. Transporter may give consideration for a Shipper who is a debtor-in-possession operating under Chapter XI of the Federal Bankruptcy Act if Transporter is assured that the service billing will be paid promptly as a cost of administration under the federal court's jurisdiction, based on a court order in effect, and if Shipper is continuing and continues in the future to make payment.
  - D. Whether Shipper is subject to any lawsuits or judgments outstanding which could materially impact its ability to remain solvent.
  - E. The nature of Shipper's business and the effect on that business of economic conditions, including Shipper's ability to recover the costs of Transporter's services through filings with regulatory agencies or otherwise to pass on such costs to its customers.
- 
- F. Any other information, including any information provided by Shipper, that is relevant to Shipper's current and future financial strength and Shipper's ability to make full payment over the term of this Agreement.

(2) As used herein, "Credit Support" means (i) a guaranty of Shipper's contractual obligations under this Agreement, substantially in the form of Exhibit B, attached hereto, from an entity deemed creditworthy by Transporter in accordance with Section 8(1) above ("Guarantor"). Where the Guarantor is not an entity formed in the United States, the guaranty may not be substantially in the form of Exhibit B but shall be in a form acceptable to Transporter, in its sole discretion; or (ii) one of the following collateral options: (A) an

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irrevocable standby letter of credit substantially in the form of Exhibit C attached hereto and issued by a bank or financial institution deemed acceptable to Transporter for an amount up to the lesser of: (i) sixty-five million dollars (\$65,000,000) or (ii) Shipper's Proportionate Share of Project Costs (defined below) which shall be reduced over time in proportion to the Initial Term of Shipper's Service Agreement, but in no event reduced to less than three (3) months reservation charges; or (B) a cash security deposit delivered to Transporter in an amount up to the lesser of: (i) sixty-five million dollars (\$65,000,000) or (ii) Shipper's Proportionate Share of Project Costs which shall be reduced over time in proportion to the Initial Term of Shipper's Service Agreement, but in no event reduced to less than three (3) months reservation charges; or (iii) any other financial assurance mutually agreed upon by Transporter and Shipper. With respect to 8(2)(A) and 8(2)(B) collateral options, it is agreed and understood by Transporter and Shipper that the sixty-five million dollars (\$65,000,000) discussed within this Section 8(2)(A) and 8(2)(B) applies collectively to Agreements #125082 and #125083, not singularly.

If at any time Transporter or Shipper are in dispute as to whether Shipper or its proposed guarantor is creditworthy, then until such time as such dispute is resolved, Shipper shall be required to provide the Credit Support contemplated in clause (A) or (B) of this Section 8(2) (which shall be subject to immediate release in the event that the parties mutually agree or it is determined by Transporter that Shipper or its proposed guarantor is creditworthy).

The term "Proportionate Share" shall mean an amount equal to the ratio of Shipper's requested MDQ pursuant to this Agreement to the total MDQ by all shippers with a service agreement then in effect for Transporter's Southeast Mainline System Reversal Project (the "Project"). The term "Project Costs" shall mean the total demonstrable cost expended, including both direct and indirect costs charged to the Project, incurred or irrevocably committed by Transporter, in developing, permitting and/or constructing the Project, including any third party charges expended, incurred or irrevocably committed by Transporter in connection with the Project.

(3) Shipper shall maintain its creditworthiness, either directly or through provision of Credit Support, for the term of this Agreement. Transporter shall have the right to review Shipper's (or its Guarantor's) creditworthiness, in accordance with Section 8(1) above, on an ongoing basis and Shipper shall provide, upon Transporter's request, any information in order for Transporter to determine the continuing creditworthiness of Shipper (or its Guarantor). Transporter and Shipper agree that Shipper's failure to supply or maintain Credit Support shall not: (i) relieve Shipper of its other obligations under this Agreement; or (ii) prejudice Transporter's right to seek damages or performance under this Agreement.

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(4) Shipper acknowledges that this Agreement is a contract under which Transporter will extend financial accommodations to Shipper, within the meaning of United States Bankruptcy Code Section 365(e)(2)(B). Shipper likewise acknowledges that in the event that a petition is filed, by or against Shipper or any Guarantor of Shipper's obligations hereunder under any chapter of the United States Bankruptcy Code, or any other legal jurisdiction, if applicable, and if Transporter does not terminate this Agreement as a result of such filing, Transporter may consider the bankruptcy filing in determining whether Shipper remains creditworthy and in determining what, if any, financial assurances must be submitted by or for Shipper as a condition to Shipper's creditworthiness under this Agreement.

(5) Section 8 shall apply to any assignee pursuant to an assignment (in whole or part) of this Agreement, or to any permanent capacity release, in whole or part, of this Agreement. Transporter may refuse to allow Shipper to permanently release capacity from this Agreement if Transporter has a reasonable basis to conclude that it will not be financially indifferent to the release. If Shipper's request to permanently release capacity is denied by Transporter, Transporter shall notify Shipper of such denial and shall include in the notification the reasons for such denial.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

SHIPPER: ANTERO RESOURCES CORPORATION

By: Mark D. Maulz *SMW*  
Mark D. Maulz  
Vice-President *JBF*

Title: \_\_\_\_\_

Date: 10-1-2014

TRANSPORTER: ANR PIPELINE COMPANY

By: Stann D. Jacobson *DR 10/2/14*  
Director, Commercial Services *ee 10/3/14*

Title: \_\_\_\_\_

Date: 10-3-14

*Legal*  
*DR*  
*10/2/14*  
Date

*JBF*  
*9/24/14*

*DRB*  
*9/24/14*



**EXHIBIT B**  
**GUARANTY**

This Guaranty dated \_\_\_\_\_, 20\_\_\_\_, is made by \_\_\_\_\_, a \_\_\_\_\_ ("Guarantor"), in favor of ANR Pipeline Company, a Delaware Corporation ("Creditor").

WITNESSETH:

WHEREAS, Creditor and \_\_\_\_\_, a \_\_\_\_\_ ("Debtor"), have entered into, or may hereafter enter into in the future, certain contracts, agreements or arrangements, including, but in no way limited to, contracts, agreements or arrangements involving the transportation, gathering, processing, treating, parking, lending, sale, purchase, pooling, exchange, aggregating, balancing or storage of natural gas or natural gas liquids or for products or services similar or related thereto (such contracts, agreements and arrangements, whether now existing or hereafter entered into between Debtor and Creditor, are individually referred to as an "Agreement" and collectively referred to as the "Agreements"); and

WHEREAS, to induce Creditor to extend or to continue to extend credit to Debtor, Guarantor has agreed to provide this Guaranty to Creditor;

NOW, THEREFORE, Guarantor agrees with Creditor as follows:

1. **Guaranty.** Guarantor unconditionally, absolutely and irrevocably guarantees to Creditor and its successors and assigns the full and prompt payment when due of all debts, obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, secured or unsecured, primary or secondary, at any time owing by Debtor to Creditor or remaining unpaid by Debtor to Creditor incurred under, or arising out of, the Agreements, including any amounts for interest, costs, expenses, penalties and damages, as further set forth herein (all such debts, obligations and liabilities are collectively referred to as the "Guaranteed Obligations"). Guarantor shall pay interest on any amounts due under this Guaranty as set forth in Section 17. Guarantor shall pay any and all out-of-pocket costs, including reasonable legal fees and expenses, and other expenses incurred by Creditor in enforcing Guarantor's obligations under this Guaranty; provided that Guarantor shall not be liable for such expenses of Creditor if Creditor is not successful in such enforcement action. This is a guaranty of payment and not of collection. This Guaranty is in addition to, and does not limit, any other guaranty of Guarantor. Nothing herein shall be construed as an obligation on the part of Creditor to extend credit to Debtor or to continue to extend credit to Debtor.
2. **Liability as principal debtor.** Creditor may recover from Guarantor as a principal debtor any Guaranteed Obligations that Creditor may not recover from Guarantor as guarantor under Section 1, and Guarantor agrees to pay all such Guaranteed Obligations to Creditor as principal debtor. The provisions of this Guaranty shall apply generally with the necessary changes as to the points of detail to the liability of Guarantor as principal debtor hereunder.
3. **Guaranty absolute.** The liability of Guarantor is absolute and unconditional and shall remain in full force and effect without regard to, and shall not be released, suspended, discharged, impaired, terminated or otherwise affected by, any circumstance or occurrence whatsoever, including, without limitation:

- a) any action or inaction by Creditor as contemplated in Section 4;
  - b) any change in the structure or ownership of Debtor, Guarantor or Creditor or any other change in the relationship between Debtor and Guarantor;
  - c) any change in the financial condition of Debtor, Guarantor or Creditor;
  - d) the bankruptcy, winding-up, liquidation, dissolution, insolvency, reorganization or other similar proceeding affecting Debtor or its assets or any resulting release, stay or discharge of any Guaranteed Obligations;
  - e) any event or occurrence beyond the reasonable control of any party (other than any such event or occurrence that relieves Debtor of liability for the performance of any Guaranteed Obligation under any Agreement) or act of government in relation to, or directly or indirectly affecting, any Agreement, any Guaranteed Obligations, Debtor, Guarantor or Creditor; or
  - f) any other law, regulation or other circumstance that might otherwise constitute a defense available to, or a discharge of, Debtor or Guarantor in respect of any of the Guaranteed Obligations.
4. No release. The liability of Guarantor is not released, discharged, limited or in any way affected by anything Creditor does, suffers or permits in connection with any duties or liabilities of Debtor to Creditor or any security for those duties or liabilities, including without limitation any loss of or in respect of any security received by Creditor from Debtor or others. Creditor may, at any time and from time to time, without the consent of or notice to Guarantor, and without impairing, releasing, discharging, limiting or otherwise affecting in whole or in part the obligations of Guarantor hereunder:
- a) change the manner, place or terms of payment of, and/or exchange or extend the time of payment of, renew, amend or alter, any of the Guaranteed Obligations;
  - b) sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any assets securing the Guaranteed Obligations;
  - c) exercise or refrain from exercising any rights against Debtor or others or otherwise act or refrain from acting;
  - ~~d) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof;~~
  - e) apply any sums, regardless of how realized, to any liability owing by Debtor to Creditor under or pursuant to the Agreements;
  - f) consent to or waive any breach of, or any act, omission or default under any Agreement or otherwise amend, modify or supplement any Agreement;
  - g) act or fail to act in any manner referred to in this Guaranty which may deprive Guarantor of any right against Debtor of the type described in Section 12 to recover any payments made pursuant to this Guaranty; and
  - h) release Debtor or any other party liable in any manner for payment of any or all of the Guaranteed Obligations.

5. **No exhaustion of remedies.** Creditor is not bound or obliged to exhaust its recourse against Debtor or any other persons or any security or collateral it may hold or take any other action before being entitled to demand payment from Guarantor.
6. **No set-off or counterclaim.** Payments under this Guaranty shall be made without set-off or counterclaim whatsoever and free of any deductions or withholdings.
7. **Continuing guaranty.** This Guaranty is a continuing guaranty and is binding as a continuing obligation of Guarantor. This Guaranty shall apply to any ultimate balance due or remaining due to Creditor, and Guarantor shall continue to be bound, despite the payment from time to time during the term of this Guaranty of the whole or any part of the Guaranteed Obligations owed by Debtor to Creditor. This Guaranty shall continue to be effective or shall be reinstated, as the case may be, if at any time payment of any of the Guaranteed Obligations is rendered unenforceable or is rescinded or must otherwise be returned by Creditor upon the occurrence of any action or event, including, without limitation, the bankruptcy, reorganization, winding-up, liquidation, dissolution or insolvency of Debtor or Guarantor, all as though such payment had not been made.
8. **Representations and warranties.** Guarantor represents and warrants to Creditor that:
  - a) Guarantor (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and (ii) has the power and authority to own its property and assets, to transact the business in which it is engaged and to enter into and perform its obligations under this Guaranty;
  - b) the execution, delivery, observance and performance of this Guaranty by Guarantor do not and will not conflict with or result in a breach of the articles, certificate, by-laws, or other organizational or formation documents of Guarantor, or of the terms or provisions of any judgment, law, decree, order, statute, rule, regulation or agreement, indenture or instrument to which Guarantor is a party or by which Guarantor or its assets are bound or to which Guarantor or its assets are subject, or constitute a default under any of them;
  - c) this Guaranty has been duly authorized, executed and delivered by Guarantor;
  - d) this Guaranty constitutes a legal, valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms; and
  - ~~e) this Guaranty reasonably may be expected to benefit Guarantor, either directly or indirectly.~~
9. **Demand for payment.** Guarantor shall pay, within five (5) business days (as determined in the location where payment is to be made) after demand by Creditor and in immediately available funds, all Guaranteed Obligations due under the Agreements. Guarantor shall make all such payments in accordance with the instructions set forth in such demand. There are no other requirements of notice, presentment or demand that are required to be made under this Guaranty.
10. **Stay of acceleration.** If acceleration of the time for payment of any amount payable by Debtor in respect of the Guaranteed Obligations is stayed on the insolvency, bankruptcy, arrangement or reorganization of Debtor or on any moratorium affecting the payment of the Guaranteed Obligations, Guarantor shall nonetheless pay immediately on demand all amounts that would otherwise be subject to acceleration.

11. **Termination.** This Guaranty is a continuing guaranty effective from and after the date hereof; however, Guarantor may terminate its liability under this Guaranty with respect to Guaranteed Obligations incurred under or arising from any Agreement entered into on or after the Effective Date (as defined below) by providing written notice of such termination to Creditor in accordance with Section 24. Guarantor's notice of termination will become effective on the thirtieth (30<sup>th</sup>) day (the "Effective Date") after receipt of the notice by Creditor. From and after the Effective Date, Guarantor will not be liable pursuant to this Guaranty for any debts, obligations or liabilities incurred under or arising out of any Agreement entered into by Debtor on or after the Effective Date; **PROVIDED, HOWEVER, Guarantor will continue to remain liable for any and all Guaranteed Obligations under Agreements entered into by Debtor prior to the Effective Date, whether such Guaranteed Obligations arose prior to, on or after the Effective Date.** In addition, the termination of this Guaranty shall not affect Guarantor's liability for interest accruing as set forth in Section 17 on all Guaranteed Obligations for which Guarantor remains liable and shall not affect Guarantor's liability for legal fees, costs and other expenses incurred by Creditor in collecting such Guaranteed Obligations.
12. **Subordination and subrogation.** If and to the extent that Guarantor makes any payment to Creditor pursuant to this Guaranty, any claim which Guarantor may have against Debtor by reason thereof shall be subject and subordinate to the prior payment in full of all of the Guaranteed Obligations. Guarantor agrees that it will not exercise any rights that it may now or hereafter acquire against Debtor that arise from the existence, payment, performance or enforcement of the Guaranteed Obligations under this Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or proceeding, or remedy of any other party against Debtor, unless and until all of the Guaranteed Obligations and all other amounts payable under this Guaranty shall have been irrevocably paid, satisfied or discharged in full.
13. **Waivers.** Guarantor waives diligence, presentment, protest, notice of acceptance of this Guaranty and notice of any liability to which it may apply, notice of dishonor or nonpayment, and any other notice not expressly required by this Guaranty.
14. **No merger.** Neither an action or proceeding brought under this Guaranty regarding the Guaranteed Obligations nor any judgment or recovery in consequence of that action or proceeding operates as a bar or defense to any further action or proceeding that may be brought under this Guaranty. Any action, proceeding, judgment or recovery does not constitute a merger of any of Creditor's rights or remedies under this Guaranty. Any judgment obtained by Creditor in whole or in part of any of the Guaranteed Obligations under this Guaranty does not constitute a merger of this Guaranty into that judgment.
15. **Foreign currency obligations.** Guarantor shall make payment under this Guaranty in the legal currency of the United States of America ("US Currency"). If Guarantor makes payment in a currency other than US Currency (whether voluntarily or under an order or judgment of a court or tribunal of any jurisdiction), the payment constitutes a discharge of Guarantor's liability only to the extent of the amount of US Currency that Creditor is able to purchase with the amount of the currency it receives on the date of receipt utilizing Creditor's customary foreign exchange practices as in effect on such date. Guarantor agrees to indemnify and hold harmless Creditor from and against any loss arising out of any currency-related deficiency in payment. This indemnity constitutes a separate and independent obligation giving rise to a separate cause of action. A certificate of an officer of Creditor certifying any deficiency or loss is, in the absence of manifest error, prima facie evidence of that deficiency or loss.

16. **Benefit to Guarantor.** Subject to the terms of Section 25, this Guaranty shall be binding upon Guarantor and its successors and permitted assigns and shall inure to the benefit of and be enforceable by Creditor and its successors and assigns and shall apply to Debtor and its successors and assigns.
17. **Interest.** Guarantor shall pay to Creditor interest on the unpaid portion of the Guaranteed Obligations according to the terms of the Agreements. If payment of interest is not provided for in any Agreement, then Guarantor shall pay to Creditor interest on the unpaid portion of the Guaranteed Obligations under such Agreement at an annual rate equal to the lesser of (i) two percent (2%) above the prime rate of interest from time to time published under "Money Rates" in The Wall Street Journal (or if at the time of determination thereof, such rate is not being published in The Wall Street Journal, such comparable rate from a federally insured bank in New York, New York as Creditor may reasonably determine), or (ii) the maximum rate of interest permitted by applicable law, the rate in either case to be calculated daily from and including the due date until payment is made in full.
18. **Entire agreement.** This Guaranty represents the entire rights and obligations of the parties pertaining to the subject matter hereof and supersedes all prior oral or written agreements and understandings pertaining hereto.
19. **No waiver, remedies.** No failure or delay on the part of Creditor in exercising any right, power or privilege under this Guaranty and no course of dealing between Guarantor or Creditor shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Guaranty preclude any other or further exercise thereof or any other right, power or privilege. The rights, powers or remedies in this Guaranty are cumulative and not exclusive of any rights, powers or remedies which Creditor would otherwise have.
20. **Additional information.** Guarantor covenants and agrees that, so long as any part of the Guaranteed Obligations shall remain unpaid or any of the Agreements remain in effect, Guarantor will furnish to Creditor information regarding the financial condition of Guarantor as Creditor may from time to time reasonably request.
21. **Further assurances.** Guarantor agrees to promptly execute and deliver to Creditor, whenever and as often as reasonably requested to do so by Creditor, any further instruments of further assurances and consents as Creditor may deem necessary to confirm the continuing nature and extent of this Guaranty.

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22. **Amendments.** No amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed (i) in the case of an amendment, by Guarantor and Creditor, and (ii) in the case of a waiver or consent, by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.
23. **Severability.** If any provision of this Guaranty is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will apply only to that provision and all other provisions of this Guaranty will continue in full force and effect as if such invalid or unenforceable provision were omitted. If this Guaranty is determined to be invalid or unenforceable for any reason, such invalidity or unenforceability will not apply to any of the representations and warranties provided in Section 8, which is deemed to be a separate and independent legal, valid, binding and enforceable agreement between Guarantor and Creditor and will continue in full force.

Creditor is entitled to proceed with any remedy available to it as a result of Guarantor's breach of any of the representations and warranties provided in Section 8.

24. **Notices.** All notices and other communications hereunder (1) shall be in writing and shall be addressed to the parties at their respective addresses set forth below or at such other address for a party as shall be designated in a written notice by such party to the other party and (2) will be deemed to have been received when delivered personally or by overnight courier, or when received if sent by mail, registered or certified, postage prepaid and return receipt requested:

If to Guarantor, to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

If to Creditor, to:

ANR Pipeline Company  
c/o TransCanada Corporation  
450 - 1<sup>st</sup> Street SW  
Calgary, Alberta  
Canada T2P 5H1

Attention: Director, Counterparty Risk

25. **Assignment.** Guarantor may not assign its obligations under this Guaranty in part or in whole without the prior written consent of Creditor, and any purported assignment or delegation without such consent shall be null, void and of no effect. Creditor may assign all or any of its rights under this Guaranty without the consent of Debtor or Guarantor.
26. **Governing law.** This Guaranty is governed by and to be construed according to the laws of the state of New York without giving effect to any choice or conflict of law rules or provisions that would require the application of the laws of another jurisdiction. Guarantor irrevocably consents to the nonexclusive jurisdiction of the courts of the State of Texas and the United States District Court, in each case, located in Houston, Texas, for the purposes of any action or proceeding arising out of or related to this Guaranty. Guarantor agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably waives, to the fullest extent permitted by law, any claim of inconvenient forum or other objection which it may now or hereafter have to the laying of venue in any such court. Guarantor also irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to Guarantor at the address specified by it pursuant to this Guaranty. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section shall affect Creditor's right to serve legal process in any other manner permitted by law or its right to bring any action or proceeding against Guarantor or its property in the courts of other jurisdictions.
27. **Headings and section references.** The headings contained in this Guaranty are for reference purposes only and shall not affect the meaning or interpretation of this

Guaranty. Unless the context indicates otherwise, all references in this Guaranty to sections shall refer to the corresponding section of this Guaranty.

28. **Facsimile signature, counterparts.** A signature delivered by facsimile by any reliable electronic transmission shall be deemed to be an original signature for purposes of the Guaranty and shall be binding upon Guarantor as an original signature. Notwithstanding that Guarantor may deliver a signature by facsimile, Guarantor covenants to deliver an originally executed counterpart of this Guaranty to Creditor within a reasonable period of time after executing the Guaranty. This Guaranty may be executed in counterparts, each of which shall be deemed an original but which together will constitute one and the same instrument.

IN WITNESS WHEREOF, Guarantor has signed and delivered this Guaranty to be effective as of the date first-above written.

[Insert Guarantor Name]

By:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

**EXHIBIT C**

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.]

[INSERT DATE]

FROM:

[INSERT NAME OF BANK]  
[INSERT BANK'S ADDRESS]

TO:

ANR PIPELINE COMPANY  
C/O TRANSCANADA CORPORATION  
450 - 1ST STREET SW  
CALGARY, ALBERTA  
T2P 5H1

ATTENTION: DIRECTOR, COUNTERPARTY RISK  
FACSIMILE: (403) 920-2359  
ELECTRONIC MAIL: COUNTERPARTY\_RISK@TRANSCANADA.COM

(THE "BENEFICIARY'S ADDRESS")

APPLICANT:

[INSERT NAME OF APPLICANT]  
[INSERT APPLICANT'S ADDRESS]

---

[INSERT NAME OF BANK] (THE "BANK"), HEREBY ISSUES THIS IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.] (THE "LETTER OF CREDIT") IN THE AGGREGATE AMOUNT NOT EXCEEDING US\$ [INSERT AMOUNT], IN SUPPORT OF THE OBLIGATIONS OF [INSERT NAME OF COUNTERPARTY] (THE "COUNTERPARTY") TO ANR PIPELINE COMPANY (THE "BENEFICIARY").

THE "EXPIRATION DATE" SHALL BE [INSERT DATE OF EXPIRATION DATE], PROVIDED THAT THE EXPIRATION DATE IN EFFECT AT ANY TIME SHALL AUTOMATICALLY EXTEND FOR ONE (1) YEAR THEREAFTER, EFFECTIVE IMMEDIATELY PRIOR TO SUCH EXPIRATION DATE THEN IN EFFECT, UNLESS AT LEAST NINETY (90) CALENDAR DAYS PRIOR TO ANY SUCH EXPIRATION DATE THEN IN EFFECT, THE BANK NOTIFIES THE BENEFICIARY IN WRITING BY REGISTERED MAIL, OR BY OVERNIGHT



COURIER DELIVERY, TO THE BENEFICIARY'S ADDRESS. THAT SUCH EXPIRATION DATE THEN IN EFFECT SHALL NOT BE EXTENDED. IN THE EVENT SUCH NOTICE IS PROVIDED BY THE BANK, AND THE BENEFICIARY IS NOT IN RECEIPT OF A REPLACEMENT LETTER OF CREDIT WHICH IS ACCEPTABLE TO IT AT LEAST THIRTY (30) CALENDAR DAYS PRIOR TO THE THEN CURRENT EXPIRATION DATE, THE BENEFICIARY MAY DRAW UPON THIS LETTER OF CREDIT AS OUTLINED BELOW.

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE TO THE BENEFICIARY ON OR BEFORE THE EXPIRATION DATE ON PRESENTATION BY THE BENEFICIARY OF A REQUEST IN SUBSTANTIALLY THE FORM ATTACHED HERETO AS EXHIBIT "I" (THE "DRAWDOWN DOCUMENT"), DURING BUSINESS HOURS ON ANY DAY ON WHICH THE BANK IS OPEN FOR BUSINESS IN [INSERT CITY AND STATE IN WHICH DRAWING MUST TAKE PLACE] AT [INSERT BANK'S ADDRESS, INCLUDING MAIL ADDRESS, COURIER ADDRESS AND FACSIMILE NUMBER] (THE "BANK'S ADDRESS").

THE BANK HEREBY UNDERTAKES TO HONOUR THE DRAWDOWN DOCUMENT, IF IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT AT THE BANK'S ADDRESS, WITHOUT INQUIRING WHETHER THE BENEFICIARY HAS A RIGHT, AS BETWEEN THE BENEFICIARY AND THE COUNTERPARTY, TO MAKE SUCH REQUEST AND WITHOUT RECOGNIZING ANY CLAIMS OF THE COUNTERPARTY. PRESENTATION OF THE DRAWDOWN DOCUMENT VIA FACSIMILE, ELECTRONIC MAIL, REGISTERED MAIL, COURIER OR IN PERSON SHALL BE PERMITTED HEREUNDER. PRESENTATION OF THE DRAWDOWN DOCUMENT SHALL BE HONORED WITHIN TWO (2) BUSINESS DAYS AFTER RECEIPT OF THE DRAWDOWN DOCUMENT. PAYMENT WILL BE EFFECTED BY WIRE TRANSFER IN IMMEDIATELY AVAILABLE FUNDS TO SUCH ACCOUNT AS BENEFICIARY MAY DESIGNATE TO US IN SUCH DRAWDOWN DOCUMENT.

ANY NUMBER OF PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS  
~~ARE PERMITTED UNDER THIS LETTER OF CREDIT.~~

THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE INTERNATIONAL CHAMBER OF COMMERCE'S INTERNATIONAL STANDBY PRACTICES ("ISP 98") EXCEPT TO THE EXTENT THAT THE TERMS HEREOF ARE INCONSISTENT WITH THE PROVISIONS OF THE ISP 98, IN WHICH CASE THE TERMS OF THIS LETTER OF CREDIT SHALL GOVERN.

THIS LETTER OF CREDIT IS GOVERNED BY AND TO BE CONSTRUED ACCORDING TO THE LAWS OF STATE OF NEW YORK AND APPLICABLE U.S. FEDERAL LAW, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW RULES OR PROVISIONS THEREOF WHICH MAY DIRECT THE APPLICATION OF THE LAWS OR RULES OF ANOTHER JURISDICTION, AS TO MATTERS WHICH ARE NOT GOVERNED BY THE ISP 98. THE PARTIES

HEREBY IRREVOCABLY AGREE TO ATTORN TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF STATE OF NEW YORK.

A FACSIMILE, ELECTRONIC MAIL OR ELECTRONIC TRANSMISSION OF THIS LETTER OF CREDIT SHALL SERVE AS AN OPERATIVE INSTRUMENT UNTIL RECEIPT BY THE BENEFICIARY OF THE ORIGINAL LETTER OF CREDIT.

NOTICES CONCERNING THIS LETTER OF CREDIT MAY BE SENT TO A PARTY BY COURIER, CERTIFIED MAIL, REGISTERED MAIL, FACSIMILE, ELECTRONIC TRANSMISSION, ELECTRONIC MAIL OR SIMILAR COMMUNICATIONS FACILITY, TO ITS RESPECTIVE ADDRESS SET FORTH HEREIN AND IS DEEMED TO HAVE BEEN RECEIVED BY THE PARTY TO WHOM IT IS SENT AT THE TIME OF ITS DELIVERY IF PERSONALLY DELIVERED, OR ON THE BUSINESS DAY FOLLOWING ITS RECEIPT IF MAILED BY COURIER, CERTIFIED MAIL OR REGISTERED MAIL, OR ON THE BUSINESS DAY FOLLOWING ITS SUCCESSFUL TRANSMITTAL IF SENT BY FACSIMILE, ELECTRONIC TRANSMISSION OR ELECTRONIC MAIL.

THE BENEFICIARY MAY MAKE INQUIRIES REGARDING THIS LETTER OF CREDIT BY WAY OF WRITING ADDRESSED TO THE BANK'S ADDRESS, OR BY TELEPHONE AT [INSERT BANK'S TELEPHONE NO.], OR BY ELECTRONIC MAIL AT [INSERT BANK'S E-MAIL ADDRESS].

[INSERT NAME OF BANK]

PER: \_\_\_\_\_

NAME:

TITLE:

**EXHIBIT "1"**

REFERENCE IS MADE TO THE IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.] (THE "LETTER OF CREDIT") OF [INSERT NAME OF BANK] (THE "BANK") DATED [INSERT ORIGINAL DATE OF LETTER OF CREDIT] AS IT MAY BE AMENDED, IN SUPPORT OF THE OBLIGATIONS OF [INSERT NAME OF COUNTERPARTY] (THE "COUNTERPARTY") TO ANR PIPELINE COMPANY (THE "BENEFICIARY"). THE BENEFICIARY HEREBY CERTIFIES TO THE BANK THAT BECAUSE THE COUNTERPARTY HAS FAILED TO PAY THE BENEFICIARY OR PERFORM ITS OBLIGATIONS IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THE AGREEMENTS BETWEEN THE BENEFICIARY AND THE COUNTERPARTY, OR THAT THE COUNTERPARTY HAS NOT PROVIDED A REPLACEMENT LETTER OF CREDIT, OR ALTERNATIVE SECURITY, ACCEPTABLE TO THE BENEFICIARY AT LEAST THIRTY (30) CALENDAR DAYS PRIOR TO THE EXPIRATION DATE (AS DEFINED IN THE LETTER OF CREDIT), THE BENEFICIARY IS DRAWING UPON THE LETTER OF CREDIT IN AN AMOUNT EQUAL TO US\$ [INSERT AMOUNT OF DRAWING].

BENEFICIARY DIRECTS THE PAYMENT OF SUCH AMOUNT TO BE MADE BY TRANSFERRING TO BENEFICIARY'S ACCOUNT NO. [INSERT ACCOUNT NUMBER] [INSERT BENEFICIARY'S WIRING INSTRUCTIONS], IN IMMEDIATELY AVAILABLE FUNDS FOR THE AMOUNT SPECIFIED ABOVE.

DATED AS OF THE \_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

**ANR PIPELINE COMPANY**

PER: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

Contract No: 125082  
Amendment No: 01

AMENDMENT

Date: October 24, 2014

"Transporter": ANR PIPELINE COMPANY

"Shipper": ANTERO RESOURCES CORPORATION

FTS-1 Contract No. 125082 dated September 22, 2014 ("Agreement") between Transporter and Shipper is amended effective March 01, 2015 as follows:

- 1). Shipper and Transporter have agreed to change the Primary Delivery Point under this Agreement from SE CDP to Duralde Evangeline. An updated Primary Route Exhibit reflecting this change is attached.

- 2). **5. RATES:** (Amended and restated in its entirety)

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as provided herein.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest changes in rates in whole or in part.

Shipper's reservation rate for the primary route in Section 5 above under this contract #125082 shall be the maximum ML-3 to Southeast Area (SE) reservation rate allowable by FERC for service under ANR's FTS-1 Rate Schedule, as may change from time to time. There shall be no additional uptick in the reservation rate charged to Shipper for secondary nominations to the SE Area CDP (345116).

Contract No: 125082  
Amendment No: 01

All other terms and conditions of the Agreement shall remain in full force and effect.

ANTERO RESOURCES CORPORATION  
"Shipper"

By: Mark V. Mann  
Title: Vice President  
Date: 11-19-2014

SMW  
JBF

11/19/14

ANR PIPELINE COMPANY  
"Transporter"

By: [Signature]  
Title: Director, Commercial Services  
Date: 11/21/14

Legal  
~~10/27/14~~  
Date

11/20/14  
11/20/14

**PRIMARY ROUTE EXHIBIT**  
To Agreement Between  
**ANR PIPELINE COMPANY (Transporter)**  
**AND ANTERO RESOURCES CORPORATION (Shipper)**

Contract No: 125082  
Rate Schedule: FTS-1  
Contract Date: September 22, 2014  
Amendment Date: October 24, 2014

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
1394986 WESTRICK CDP FROM: March 01, 2015	312115 DURALDE EVANGELINE INT TO: February 28, 2045	300000	0	0

Firm Transportation Service Agreement  
Rate Schedule FTS-1

Antero Resources Corporation  
(#125083)

Agreement Effective Date: March 1, 2015

Date: September 22, 2014

Contract No.: 125083

### FTS - 1 SERVICE AGREEMENT

This AGREEMENT is entered into by ANR Pipeline Company (Transporter) and ANTERO RESOURCES CORPORATION (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**

Pursuant to Part 284 of the Federal Energy Regulatory Commission's (FERC or Commission) Regulations.

2. **RATE SCHEDULE: Firm Transportation Service (FTS - 1)**

3. **CONTRACT QUANTITIES:**

Primary Routes- see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

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4. **TERM OF AGREEMENT:**

This Agreement shall be effective as of March 1, 2015 and shall continue in full force and effect through February 28, 2045; provided, however, Transporter shall be under no obligation to receive or to deliver any quantities of natural gas hereunder prior to the "Commencement Date." The "Commencement Date" shall be the later of March 1, 2015, or the in-service date of the Southeast Mainline Reversal Project, which is necessary to provide the services hereunder. In no event shall the Commencement Date be prior to March 1, 2015, unless mutually agreed to in writing by Transporter and Shipper.



Date: September 22, 2014

Contract No.: 125083

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as provided herein.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest changes in rates in whole or in part.

6. **INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

7. **NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sub>tm</sub>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

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**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street, Suite 25000  
Houston, Texas 77002-2761  
Attention: Commercial Services

Date: September 22, 2014

Contract No.: 125083

**SHIPPER:**

ANTERO RESOURCES CORPORATION  
1615 WYNKOOP STREET  
DENVER, CO 80202  
Attention: JUSTIN FOWLER

Telephone: 303-357-6735  
FAX: 303-357-7315

**INVOICES AND STATEMENTS:**

ANTERO RESOURCES CORPORATION  
1615 WYNKOOP STREET  
DENVER, CO 80202  
Attention: SHERRY ANDERSON

Telephone: 303-357-7145  
FAX: 303-825-3112

**8. FURTHER AGREEMENT:**

**Creditworthiness**

During the initial term of this Agreement, Shipper understands and agrees that it will establish and maintain creditworthiness in accordance with Section 8(1) below, or provide and maintain Credit Support pursuant to Section 8(2) below.

---

(1) Shipper will be deemed creditworthy if its unenhanced senior unsecured debt securities are rated at least BBB- by Standard & Poor's Financial Services LLC ("S&P") or at least Baa3 by Moody's Investors Service, Inc. ("Moody's"). In the event Shipper is rated by both S&P and Moody's, the lower rating applies. Nothing herein shall limit Transporter's ability to evaluate any of the factors set forth in (A) – (F) below where Shipper's creditworthiness is established by a rating agency if such factor(s) would alter Transporter's evaluation of Shipper. If Shipper currently has service agreements with Transporter, the total of potential charges of all such service agreements shall be considered in determining creditworthiness.

If Shipper does not meet the creditworthiness standard described above, then Transporter shall evaluate creditworthiness based upon the level of Shipper's current and requested service with Transporter relative to Shipper's current and future ability to meet its

Date: September 22, 2014

Contract No.: 125083

obligations. Such creditworthiness evaluation shall be based upon Transporter's evaluation of any or all of the following information:

- A. S&P, Moody's and other credit reporting agencies' opinions, outlooks, watch alerts, and rating actions.
  - B. Financial reports whereby consistent financial statement analysis will be applied by Transporter to determine the acceptability of Shipper's current and future financial strength. Shipper's balance sheets, income statements, cash flow statements, notes to financial statements, and auditor's opinions will be analyzed along with key ratios and trends regarding liquidity, asset management, debt management, debt coverage, capital structure, operational efficiency and profitability.
  - C. Whether Shipper is operating under any chapter of the bankruptcy code and is subject to liquidation or debt reduction procedures under state laws and whether there is pending any petition for involuntary bankruptcy. Transporter may give consideration for a Shipper who is a debtor-in-possession operating under Chapter XI of the Federal Bankruptcy Act if Transporter is assured that the service billing will be paid promptly as a cost of administration under the federal court's jurisdiction, based on a court order in effect, and if Shipper is continuing and continues in the future to make payment.
  - D. Whether Shipper is subject to any lawsuits or judgments outstanding which could materially impact its ability to remain solvent.
  - E. The nature of Shipper's business and the effect on that business of economic conditions, including Shipper's ability to recover the costs of Transporter's services through filings with regulatory agencies or otherwise to pass on such costs to its customers.
- 
- F. Any other information, including any information provided by Shipper, that is relevant to Shipper's current and future financial strength and Shipper's ability to make full payment over the term of this Agreement.

(2) As used herein, "Credit Support" means (i) a guaranty of Shipper's contractual obligations under this Agreement, substantially in the form of Exhibit B, attached hereto, from an entity deemed creditworthy by Transporter in accordance with Section 8(1) above ("Guarantor"). Where the Guarantor is not an entity formed in the United States, the guaranty may not be substantially in the form of Exhibit B but shall be in a form acceptable to Transporter, in its sole discretion; or (ii) one of the following collateral options: (A) an

Date: September 22, 2014

Contract No.: 125083

irrevocable standby letter of credit substantially in the form of Exhibit C attached hereto and issued by a bank or financial institution deemed acceptable to Transporter for an amount up to the lesser of: (i) sixty-five million dollars (\$65,000,000) or (ii) Shipper's Proportionate Share of Project Costs (defined below) which shall be reduced over time in proportion to the Initial Term of Shipper's Service Agreement, but in no event reduced to less than three (3) months reservation charges; or (B) a cash security deposit delivered to Transporter in an amount up to the lesser of: (i) sixty-five million dollars (\$65,000,000) or (ii) Shipper's Proportionate Share of Project Costs which shall be reduced over time in proportion to the Initial Term of Shipper's Service Agreement, but in no event reduced to less than three (3) months reservation charges; or (iii) any other financial assurance mutually agreed upon by Transporter and Shipper. With respect to 8(2)(A) and 8(2)(B) collateral options, it is agreed and understood by Transporter and Shipper that the sixty-five million dollars (\$65,000,000) discussed within this Section 8(2)(A) and 8(2)(B) applies collectively to Agreements #125082 and #125083, not singularly.

If at any time Transporter or Shipper are in dispute as to whether Shipper or its proposed guarantor is creditworthy, then until such time as such dispute is resolved, Shipper shall be required to provide the Credit Support contemplated in clause (A) or (B) of this Section 8(2) (which shall be subject to immediate release in the event that the parties mutually agree or it is determined by Transporter that Shipper or its proposed guarantor is creditworthy).

The term "Proportionate Share" shall mean an amount equal to the ratio of Shipper's requested MDQ pursuant to this Agreement to the total MDQ by all shippers with a service agreement then in effect for Transporter's Southeast Mainline System Reversal Project (the "Project"). The term "Project Costs" shall mean the total demonstrable cost expended, including both direct and indirect costs charged to the Project, incurred or irrevocably committed by Transporter, in developing, permitting and/or constructing the Project, including any third party charges expended, incurred or irrevocably committed by Transporter in connection with the Project.

(3) Shipper shall maintain its creditworthiness, either directly or through provision of Credit Support, for the term of this Agreement. Transporter shall have the right to review Shipper's (or its Guarantor's) creditworthiness, in accordance with Section 8(1) above, on an ongoing basis and Shipper shall provide, upon Transporter's request, any information in order for Transporter to determine the continuing creditworthiness of Shipper (or its Guarantor). Transporter and Shipper agree that Shipper's failure to supply or maintain Credit Support shall not: (i) relieve Shipper of its other obligations under this Agreement; or (ii) prejudice Transporter's right to seek damages or performance under this Agreement.

Date: September 22, 2014

Contract No.: 125083

(4) Shipper acknowledges that this Agreement is a contract under which Transporter will extend financial accommodations to Shipper, within the meaning of United States Bankruptcy Code Section 365(e)(2)(B). Shipper likewise acknowledges that in the event that a petition is filed, by or against Shipper or any Guarantor of Shipper's obligations hereunder under any chapter of the United States Bankruptcy Code, or any other legal jurisdiction, if applicable, and if Transporter does not terminate this Agreement as a result of such filing, Transporter may consider the bankruptcy filing in determining whether Shipper remains creditworthy and in determining what, if any, financial assurances must be submitted by or for Shipper as a condition to Shipper's creditworthiness under this Agreement.

(5) Section 8 shall apply to any assignee pursuant to an assignment (in whole or part) of this Agreement, or to any permanent capacity release, in whole or part, of this Agreement. Transporter may refuse to allow Shipper to permanently release capacity from this Agreement if Transporter has a reasonable basis to conclude that it will not be financially indifferent to the release. If Shipper's request to permanently release capacity is denied by Transporter, Transporter shall notify Shipper of such denial and shall include in the notification the reasons for such denial.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

SHIPPER: ANTERO RESOURCES CORPORATION

By: Mark D. Naucz  
Mark D. Naucz  
Vice-President

SMW  
JBF

Title: \_\_\_\_\_

Date: 10-1-2014

cc  
10/2/14  
10/3/14  
Legal  
10/2/14

TRANSPORTER: ANR PIPELINE COMPANY

By: Stan F. Jarobek

Title: Director, Commercial Services

JSP  
9/24/14

Date: 10-3-14

10/3  
9/24/14

**PRIMARY ROUTE EXHIBIT**  
To Agreement Between  
**ANR PIPELINE COMPANY (Transporter)**  
**AND ANTERO RESOURCES CORPORATION (Shipper)**

Contract No: 125083  
Rate Schedule: FTS-1  
Contract Date: September 22, 2014  
Amendment Date:

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
1394986 WESTRICK CDP FROM: March 01, 2015	345116 S E CDP (TRANSMISSION) TO: February 28, 2045	300000	0	0

**EXHIBIT B**  
**GUARANTY**

This Guaranty dated \_\_\_\_\_, 20\_\_\_\_, is made by \_\_\_\_\_, a \_\_\_\_\_ ("Guarantor"), in favor of ANR Pipeline Company, a Delaware Corporation ("Creditor").

WITNESSETH:

WHEREAS, Creditor and \_\_\_\_\_, a \_\_\_\_\_ ("Debtor"), have entered into, or may hereafter enter into in the future, certain contracts, agreements or arrangements, including, but in no way limited to, contracts, agreements or arrangements involving the transportation, gathering, processing, treating, parking, lending, sale, purchase, pooling, exchange, aggregating, balancing or storage of natural gas or natural gas liquids or for products or services similar or related thereto (such contracts, agreements and arrangements, whether now existing or hereafter entered into between Debtor and Creditor, are individually referred to as an "Agreement" and collectively referred to as the "Agreements"); and

WHEREAS, to induce Creditor to extend or to continue to extend credit to Debtor, Guarantor has agreed to provide this Guaranty to Creditor;

NOW, THEREFORE, Guarantor agrees with Creditor as follows:

1. Guaranty. Guarantor unconditionally, absolutely and irrevocably guarantees to Creditor and its successors and assigns the full and prompt payment when due of all debts, obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, secured or unsecured, primary or secondary, at any time owing by Debtor to Creditor or remaining unpaid by Debtor to Creditor incurred under, or arising out of, the Agreements, including any amounts for interest, costs, expenses, penalties and damages, as further set forth herein (all such debts, obligations and liabilities are collectively referred to as the "Guaranteed Obligations"). Guarantor shall pay interest on any amounts due under this Guaranty as set forth in Section 17. Guarantor shall pay any and all out-of-pocket costs, including reasonable legal fees and expenses, and other expenses incurred by Creditor in enforcing Guarantor's obligations under this Guaranty; provided that Guarantor shall not be liable for such expenses of Creditor if Creditor is not successful in such enforcement action. ~~This is a guaranty of payment and not of collection.~~ This Guaranty is in addition to, and does not limit, any other guaranty of Guarantor. Nothing herein shall be construed as an obligation on the part of Creditor to extend credit to Debtor or to continue to extend credit to Debtor.
2. Liability as principal debtor. Creditor may recover from Guarantor as a principal debtor any Guaranteed Obligations that Creditor may not recover from Guarantor as guarantor under Section 1, and Guarantor agrees to pay all such Guaranteed Obligations to Creditor as principal debtor. The provisions of this Guaranty shall apply generally with the necessary changes as to the points of detail to the liability of Guarantor as principal debtor hereunder.
3. Guaranty absolute. The liability of Guarantor is absolute and unconditional and shall remain in full force and effect without regard to, and shall not be released, suspended, discharged, impaired, terminated or otherwise affected by, any circumstance or occurrence whatsoever, including, without limitation:

- a) any action or inaction by Creditor as contemplated in Section 4;
  - b) any change in the structure or ownership of Debtor, Guarantor or Creditor or any other change in the relationship between Debtor and Guarantor;
  - c) any change in the financial condition of Debtor, Guarantor or Creditor;
  - d) the bankruptcy, winding-up, liquidation, dissolution, insolvency, reorganization or other similar proceeding affecting Debtor or its assets or any resulting release, stay or discharge of any Guaranteed Obligations;
  - e) any event or occurrence beyond the reasonable control of any party (other than any such event or occurrence that relieves Debtor of liability for the performance of any Guaranteed Obligation under any Agreement) or act of government in relation to, or directly or indirectly affecting, any Agreement, any Guaranteed Obligations, Debtor, Guarantor or Creditor; or
  - f) any other law, regulation or other circumstance that might otherwise constitute a defense available to, or a discharge of, Debtor or Guarantor in respect of any of the Guaranteed Obligations.
4. No release. The liability of Guarantor is not released, discharged, limited or in any way affected by anything Creditor does, suffers or permits in connection with any duties or liabilities of Debtor to Creditor or any security for those duties or liabilities, including without limitation any loss of or in respect of any security received by Creditor from Debtor or others. Creditor may, at any time and from time to time, without the consent of or notice to Guarantor, and without impairing, releasing, discharging, limiting or otherwise affecting in whole or in part the obligations of Guarantor hereunder:
- a) change the manner, place or terms of payment of, and/or exchange or extend the time of payment of, renew, amend or alter, any of the Guaranteed Obligations;
  - b) sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any assets securing the Guaranteed Obligations;
  - c) exercise or refrain from exercising any rights against Debtor or others or otherwise act or refrain from acting;
  - ~~d) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof;~~
  - e) apply any sums, regardless of how realized, to any liability owing by Debtor to Creditor under or pursuant to the Agreements;
  - f) consent to or waive any breach of, or any act, omission or default under any Agreement or otherwise amend, modify or supplement any Agreement;
  - g) act or fail to act in any manner referred to in this Guaranty which may deprive Guarantor of any right against Debtor of the type described in Section 12 to recover any payments made pursuant to this Guaranty; and
  - h) release Debtor or any other party liable in any manner for payment of any or all of the Guaranteed Obligations.



5. No exhaustion of remedies. Creditor is not bound or obliged to exhaust its recourse against Debtor or any other persons or any security or collateral it may hold or take any other action before being entitled to demand payment from Guarantor.
6. No set-off or counterclaim. Payments under this Guaranty shall be made without set-off or counterclaim whatsoever and free of any deductions or withholdings.
7. Continuing guaranty. This Guaranty is a continuing guaranty and is binding as a continuing obligation of Guarantor. This Guaranty shall apply to any ultimate balance due or remaining due to Creditor, and Guarantor shall continue to be bound, despite the payment from time to time during the term of this Guaranty of the whole or any part of the Guaranteed Obligations owed by Debtor to Creditor. This Guaranty shall continue to be effective or shall be reinstated, as the case may be, if at any time payment of any of the Guaranteed Obligations is rendered unenforceable or is rescinded or must otherwise be returned by Creditor upon the occurrence of any action or event, including, without limitation, the bankruptcy, reorganization, winding-up, liquidation, dissolution or insolvency of Debtor or Guarantor, all as though such payment had not been made.
8. Representations and warranties. Guarantor represents and warrants to Creditor that:
  - a) Guarantor (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and (ii) has the power and authority to own its property and assets, to transact the business in which it is engaged and to enter into and perform its obligations under this Guaranty;
  - b) the execution, delivery, observance and performance of this Guaranty by Guarantor do not and will not conflict with or result in a breach of the articles, certificate, by-laws, or other organizational or formation documents of Guarantor, or of the terms or provisions of any judgment, law, decree, order, statute, rule, regulation or agreement, indenture or instrument to which Guarantor is a party or by which Guarantor or its assets are bound or to which Guarantor or its assets are subject, or constitute a default under any of them;
  - c) this Guaranty has been duly authorized, executed and delivered by Guarantor;
  - d) this Guaranty constitutes a legal, valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms; and
  - e) ~~this Guaranty reasonably may be expected to benefit Guarantor, either directly or indirectly.~~
9. Demand for payment. Guarantor shall pay, within five (5) business days (as determined in the location where payment is to be made) after demand by Creditor and in immediately available funds, all Guaranteed Obligations due under the Agreements. Guarantor shall make all such payments in accordance with the instructions set forth in such demand. There are no other requirements of notice, presentment or demand that are required to be made under this Guaranty.
10. Stay of acceleration. If acceleration of the time for payment of any amount payable by Debtor in respect of the Guaranteed Obligations is stayed on the insolvency, bankruptcy, arrangement or reorganization of Debtor or on any moratorium affecting the payment of the Guaranteed Obligations, Guarantor shall nonetheless pay immediately on demand all amounts that would otherwise be subject to acceleration.

11. **Termination.** This Guaranty is a continuing guaranty effective from and after the date hereof; however, Guarantor may terminate its liability under this Guaranty with respect to Guaranteed Obligations incurred under or arising from any Agreement entered into on or after the Effective Date (as defined below) by providing written notice of such termination to Creditor in accordance with Section 24. Guarantor's notice of termination will become effective on the thirtieth (30<sup>th</sup>) day (the "Effective Date") after receipt of the notice by Creditor. From and after the Effective Date, Guarantor will not be liable pursuant to this Guaranty for any debts, obligations or liabilities incurred under or arising out of any Agreement entered into by Debtor on or after the Effective Date; PROVIDED, HOWEVER, Guarantor will continue to remain liable for any and all Guaranteed Obligations under Agreements entered into by Debtor prior to the Effective Date, whether such Guaranteed Obligations arose prior to, on or after the Effective Date. In addition, the termination of this Guaranty shall not affect Guarantor's liability for interest accruing as set forth in Section 17 on all Guaranteed Obligations for which Guarantor remains liable and shall not affect Guarantor's liability for legal fees, costs and other expenses incurred by Creditor in collecting such Guaranteed Obligations.
12. **Subordination and subrogation.** If and to the extent that Guarantor makes any payment to Creditor pursuant to this Guaranty, any claim which Guarantor may have against Debtor by reason thereof shall be subject and subordinate to the prior payment in full of all of the Guaranteed Obligations. Guarantor agrees that it will not exercise any rights that it may now or hereafter acquire against Debtor that arise from the existence, payment, performance or enforcement of the Guaranteed Obligations under this Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or proceeding, or remedy of any other party against Debtor, unless and until all of the Guaranteed Obligations and all other amounts payable under this Guaranty shall have been irrevocably paid, satisfied or discharged in full.
13. **Waivers.** Guarantor waives diligence, presentment, protest, notice of acceptance of this Guaranty and notice of any liability to which it may apply, notice of dishonor or nonpayment, and any other notice not expressly required by this Guaranty.
14. **No merger.** Neither an action or proceeding brought under this Guaranty regarding the Guaranteed Obligations nor any judgment or recovery in consequence of that action or proceeding operates as a bar or defense to any further action or proceeding that may be brought under this Guaranty. Any action, proceeding, judgment or recovery does not constitute a merger of any of Creditor's rights or remedies under this Guaranty. Any judgment obtained by Creditor in whole or in part of any of the Guaranteed Obligations under this Guaranty does not constitute a merger of this Guaranty into that judgment.
15. **Foreign currency obligations.** Guarantor shall make payment under this Guaranty in the legal currency of the United States of America ("US Currency"). If Guarantor makes payment in a currency other than US Currency (whether voluntarily or under an order or judgment of a court or tribunal of any jurisdiction), the payment constitutes a discharge of Guarantor's liability only to the extent of the amount of US Currency that Creditor is able to purchase with the amount of the currency it receives on the date of receipt utilizing Creditor's customary foreign exchange practices as in effect on such date. Guarantor agrees to indemnify and hold harmless Creditor from and against any loss arising out of any currency-related deficiency in payment. This indemnity constitutes a separate and independent obligation giving rise to a separate cause of action. A certificate of an officer of Creditor certifying any deficiency or loss is, in the absence of manifest error, prima facie evidence of that deficiency or loss.

16. **Benefit to Guarantor.** Subject to the terms of Section 25, this Guaranty shall be binding upon Guarantor and its successors and permitted assigns and shall inure to the benefit of and be enforceable by Creditor and its successors and assigns and shall apply to Debtor and its successors and assigns.
17. **Interest.** Guarantor shall pay to Creditor interest on the unpaid portion of the Guaranteed Obligations according to the terms of the Agreements. If payment of interest is not provided for in any Agreement, then Guarantor shall pay to Creditor interest on the unpaid portion of the Guaranteed Obligations under such Agreement at an annual rate equal to the lesser of (i) two percent (2%) above the prime rate of interest from time to time published under "Money Rates" in The Wall Street Journal (or if at the time of determination thereof, such rate is not being published in The Wall Street Journal, such comparable rate from a federally insured bank in New York, New York as Creditor may reasonably determine), or (ii) the maximum rate of interest permitted by applicable law, the rate in either case to be calculated daily from and including the due date until payment is made in full.
18. **Entire agreement.** This Guaranty represents the entire rights and obligations of the parties pertaining to the subject matter hereof and supersedes all prior oral or written agreements and understandings pertaining hereto.
19. **No waiver, remedies.** No failure or delay on the part of Creditor in exercising any right, power or privilege under this Guaranty and no course of dealing between Guarantor or Creditor shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Guaranty preclude any other or further exercise thereof or any other right, power or privilege. The rights, powers or remedies in this Guaranty are cumulative and not exclusive of any rights, powers or remedies which Creditor would otherwise have.
20. **Additional information.** Guarantor covenants and agrees that, so long as any part of the Guaranteed Obligations shall remain unpaid or any of the Agreements remain in effect, Guarantor will furnish to Creditor information regarding the financial condition of Guarantor as Creditor may from time to time reasonably request.
21. **Further assurances.** Guarantor agrees to promptly execute and deliver to Creditor, whenever and as often as reasonably requested to do so by Creditor, any further instruments of further assurances and consents as Creditor may deem necessary to confirm the continuing nature and extent of this Guaranty.

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22. **Amendments.** No amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed (i) in the case of an amendment, by Guarantor and Creditor, and (ii) in the case of a waiver or consent, by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.
23. **Severability.** If any provision of this Guaranty is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will apply only to that provision and all other provisions of this Guaranty will continue in full force and effect as if such invalid or unenforceable provision were omitted. If this Guaranty is determined to be invalid or unenforceable for any reason, such invalidity or unenforceability will not apply to any of the representations and warranties provided in Section 8, which is deemed to be a separate and independent legal, valid, binding and enforceable agreement between Guarantor and Creditor and will continue in full force.

Creditor is entitled to proceed with any remedy available to it as a result of Guarantor's breach of any of the representations and warranties provided in Section 8.

24. **Notices.** All notices and other communications hereunder (1) shall be in writing and shall be addressed to the parties at their respective addresses set forth below or at such other address for a party as shall be designated in a written notice by such party to the other party and (2) will be deemed to have been received when delivered personally or by overnight courier, or when received if sent by mail, registered or certified, postage prepaid and return receipt requested:

If to Guarantor, to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

If to Creditor, to:

ANR Pipeline Company  
c/o TransCanada Corporation  
450 - 1<sup>st</sup> Street SW  
Calgary, Alberta  
Canada T2P 5H1

Attention: Director, Counterparty Risk

25. **Assignment.** Guarantor may not assign its obligations under this Guaranty in part or in whole without the prior written consent of Creditor, and any purported assignment or delegation without such consent shall be null, void and of no effect. Creditor may assign all or any of its rights under this Guaranty without the consent of Debtor or Guarantor.
26. **Governing law.** This Guaranty is governed by and to be construed according to the laws of the state of New York without giving effect to any choice or conflict of law rules or provisions that would require the application of the laws of another jurisdiction. Guarantor irrevocably consents to the nonexclusive jurisdiction of the courts of the State of Texas and the United States District Court, in each case, located in Houston, Texas, for the purposes of any action or proceeding arising out of or related to this Guaranty. Guarantor agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably waives, to the fullest extent permitted by law, any claim of inconvenient forum or other objection which it may now or hereafter have to the laying of venue in any such court. Guarantor also irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to Guarantor at the address specified by it pursuant to this Guaranty. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section shall affect Creditor's right to serve legal process in any other manner permitted by law or its right to bring any action or proceeding against Guarantor or its property in the courts of other jurisdictions.
27. **Headings and section references.** The headings contained in this Guaranty are for reference purposes only and shall not affect the meaning or interpretation of this

Guaranty. Unless the context indicates otherwise, all references in this Guaranty to sections shall refer to the corresponding section of this Guaranty.

28. **Facsimile signature, counterparts.** A signature delivered by facsimile by any reliable electronic transmission shall be deemed to be an original signature for purposes of the Guaranty and shall be binding upon Guarantor as an original signature. Notwithstanding that Guarantor may deliver a signature by facsimile, Guarantor covenants to deliver an originally executed counterpart of this Guaranty to Creditor within a reasonable period of time after executing the Guaranty. This Guaranty may be executed in counterparts, each of which shall be deemed an original but which together will constitute one and the same instrument.

IN WITNESS WHEREOF, Guarantor has signed and delivered this Guaranty to be effective as of the date first-above written.

[Insert Guarantor Name]

By:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

EXHIBIT C

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.]

[INSERT DATE]

FROM:

[INSERT NAME OF BANK]  
[INSERT BANK'S ADDRESS]

TO:

ANR PIPELINE COMPANY  
C/O TRANSCANADA CORPORATION  
450 - 1ST STREET SW  
CALGARY, ALBERTA  
T2P 5H1

ATTENTION: DIRECTOR, COUNTERPARTY RISK  
FACSIMILE: (403) 920-2359  
ELECTRONIC MAIL: COUNTERPARTY\_RISK@TRANSCANADA.COM

(THE "BENEFICIARY'S ADDRESS")

APPLICANT:

[INSERT NAME OF APPLICANT]  
[INSERT APPLICANT'S ADDRESS]

---

[INSERT NAME OF BANK] (THE "BANK"), HEREBY ISSUES THIS IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.] (THE "LETTER OF CREDIT") IN THE AGGREGATE AMOUNT NOT EXCEEDING US\$ [INSERT AMOUNT], IN SUPPORT OF THE OBLIGATIONS OF [INSERT NAME OF COUNTERPARTY] (THE "COUNTERPARTY") TO ANR PIPELINE COMPANY (THE "BENEFICIARY").

THE "EXPIRATION DATE" SHALL BE [INSERT DATE OF EXPIRATION DATE], PROVIDED THAT THE EXPIRATION DATE IN EFFECT AT ANY TIME SHALL AUTOMATICALLY EXTEND FOR ONE (1) YEAR THEREAFTER, EFFECTIVE IMMEDIATELY PRIOR TO SUCH EXPIRATION DATE THEN IN EFFECT, UNLESS AT LEAST NINETY (90) CALENDAR DAYS PRIOR TO ANY SUCH EXPIRATION DATE THEN IN EFFECT, THE BANK NOTIFIES THE BENEFICIARY IN WRITING BY REGISTERED MAIL, OR BY OVERNIGHT

COURIER DELIVERY, TO THE BENEFICIARY'S ADDRESS THAT SUCH EXPIRATION DATE THEN IN EFFECT SHALL NOT BE EXTENDED. IN THE EVENT SUCH NOTICE IS PROVIDED BY THE BANK, AND THE BENEFICIARY IS NOT IN RECEIPT OF A REPLACEMENT LETTER OF CREDIT WHICH IS ACCEPTABLE TO IT AT LEAST THIRTY (30) CALENDAR DAYS PRIOR TO THE THEN CURRENT EXPIRATION DATE, THE BENEFICIARY MAY DRAW UPON THIS LETTER OF CREDIT AS OUTLINED BELOW.

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE TO THE BENEFICIARY ON OR BEFORE THE EXPIRATION DATE ON PRESENTATION BY THE BENEFICIARY OF A REQUEST IN SUBSTANTIALLY THE FORM ATTACHED HERETO AS EXHIBIT "1" (THE "DRAWDOWN DOCUMENT"), DURING BUSINESS HOURS ON ANY DAY ON WHICH THE BANK IS OPEN FOR BUSINESS IN [INSERT CITY AND STATE IN WHICH DRAWING MUST TAKE PLACE] AT [INSERT BANK'S ADDRESS, INCLUDING MAIL ADDRESS, COURIER ADDRESS AND FACSIMILE NUMBER] (THE "BANK'S ADDRESS").

THE BANK HEREBY UNDERTAKES TO HONOUR THE DRAWDOWN DOCUMENT, IF IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT AT THE BANK'S ADDRESS, WITHOUT INQUIRING WHETHER THE BENEFICIARY HAS A RIGHT, AS BETWEEN THE BENEFICIARY AND THE COUNTERPARTY, TO MAKE SUCH REQUEST AND WITHOUT RECOGNIZING ANY CLAIMS OF THE COUNTERPARTY. PRESENTATION OF THE DRAWDOWN DOCUMENT VIA FACSIMILE, ELECTRONIC MAIL, REGISTERED MAIL, COURIER OR IN PERSON SHALL BE PERMITTED HEREUNDER. PRESENTATION OF THE DRAWDOWN DOCUMENT SHALL BE HONORED WITHIN TWO (2) BUSINESS DAYS AFTER RECEIPT OF THE DRAWDOWN DOCUMENT. PAYMENT WILL BE EFFECTED BY WIRE TRANSFER IN IMMEDIATELY AVAILABLE FUNDS TO SUCH ACCOUNT AS BENEFICIARY MAY DESIGNATE TO US IN SUCH DRAWDOWN DOCUMENT.

~~ANY NUMBER OF PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS ARE PERMITTED UNDER THIS LETTER OF CREDIT.~~

THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE INTERNATIONAL CHAMBER OF COMMERCE'S INTERNATIONAL STANDBY PRACTICES ("ISP 98") EXCEPT TO THE EXTENT THAT THE TERMS HEREOF ARE INCONSISTENT WITH THE PROVISIONS OF THE ISP 98, IN WHICH CASE THE TERMS OF THIS LETTER OF CREDIT SHALL GOVERN.

THIS LETTER OF CREDIT IS GOVERNED BY AND TO BE CONSTRUED ACCORDING TO THE LAWS OF STATE OF NEW YORK AND APPLICABLE U.S. FEDERAL LAW, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW RULES OR PROVISIONS THEREOF WHICH MAY DIRECT THE APPLICATION OF THE LAWS OR RULES OF ANOTHER JURISDICTION, AS TO MATTERS WHICH ARE NOT GOVERNED BY THE ISP 98. THE PARTIES

HEREBY IRREVOCABLY AGREE TO ATTORN TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF STATE OF NEW YORK.

A FACSIMILE, ELECTRONIC MAIL OR ELECTRONIC TRANSMISSION OF THIS LETTER OF CREDIT SHALL SERVE AS AN OPERATIVE INSTRUMENT UNTIL RECEIPT BY THE BENEFICIARY OF THE ORIGINAL LETTER OF CREDIT.

NOTICES CONCERNING THIS LETTER OF CREDIT MAY BE SENT TO A PARTY BY COURIER, CERTIFIED MAIL, REGISTERED MAIL, FACSIMILE, ELECTRONIC TRANSMISSION, ELECTRONIC MAIL OR SIMILAR COMMUNICATIONS FACILITY, TO ITS RESPECTIVE ADDRESS SET FORTH HEREIN AND IS DEEMED TO HAVE BEEN RECEIVED BY THE PARTY TO WHOM IT IS SENT AT THE TIME OF ITS DELIVERY IF PERSONALLY DELIVERED, OR ON THE BUSINESS DAY FOLLOWING ITS RECEIPT IF MAILED BY COURIER, CERTIFIED MAIL OR REGISTERED MAIL, OR ON THE BUSINESS DAY FOLLOWING ITS SUCCESSFUL TRANSMITTAL IF SENT BY FACSIMILE, ELECTRONIC TRANSMISSION OR ELECTRONIC MAIL.

THE BENEFICIARY MAY MAKE INQUIRIES REGARDING THIS LETTER OF CREDIT BY WAY OF WRITING ADDRESSED TO THE BANK'S ADDRESS, OR BY TELEPHONE AT [INSERT BANK'S TELEPHONE NO.], OR BY ELECTRONIC MAIL AT [INSERT BANK'S E-MAIL ADDRESS].

[INSERT NAME OF BANK]

PER: \_\_\_\_\_

NAME:

TITLE:



EXHIBIT "1"

REFERENCE IS MADE TO THE IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.] (THE "LETTER OF CREDIT") OF [INSERT NAME OF BANK] (THE "BANK") DATED [INSERT ORIGINAL DATE OF LETTER OF CREDIT] AS IT MAY BE AMENDED, IN SUPPORT OF THE OBLIGATIONS OF [INSERT NAME OF COUNTERPARTY] (THE "COUNTERPARTY") TO ANR PIPELINE COMPANY (THE "BENEFICIARY"). THE BENEFICIARY HEREBY CERTIFIES TO THE BANK THAT BECAUSE THE COUNTERPARTY HAS FAILED TO PAY THE BENEFICIARY OR PERFORM ITS OBLIGATIONS IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THE AGREEMENTS BETWEEN THE BENEFICIARY AND THE COUNTERPARTY, OR THAT THE COUNTERPARTY HAS NOT PROVIDED A REPLACEMENT LETTER OF CREDIT, OR ALTERNATIVE SECURITY, ACCEPTABLE TO THE BENEFICIARY AT LEAST THIRTY (30) CALENDAR DAYS PRIOR TO THE EXPIRATION DATE (AS DEFINED IN THE LETTER OF CREDIT), THE BENEFICIARY IS DRAWING UPON THE LETTER OF CREDIT IN AN AMOUNT EQUAL TO US\$ [INSERT AMOUNT OF DRAWING].

BENEFICIARY DIRECTS THE PAYMENT OF SUCH AMOUNT TO BE MADE BY TRANSFERRING TO BENEFICIARY'S ACCOUNT NO. [INSERT ACCOUNT NUMBER] [INSERT BENEFICIARY'S WIRING INSTRUCTIONS], IN IMMEDIATELY AVAILABLE FUNDS FOR THE AMOUNT SPECIFIED ABOVE.

DATED AS OF THE \_\_\_\_\_ DAY OF \_\_\_\_\_.

ANR PIPELINE COMPANY

PER: \_\_\_\_\_

NAME:

TITLE:

**Appendix B**  
***ANR Pipeline Company***  
***FERC Gas Tariff, Third Revised Volume No. 1***  
**Marked Tariff**

<b><u>Tariff Section</u></b>	<b><u>Version</u></b>
1 – TABLE OF CONTENTS	v.30.0.2
6.28 – GT&C, Non-Conforming Agreements	v.11.0.0

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## 6.28 NON-CONFORMING AGREEMENTS

1. Midland Cogeneration Venture Limited Partnership FTS-1 Agreements, dated August 30, 2001.  
  
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2. Wisconsin Gas LLC, ETS Agreement, dated September 27, 2004.  
  
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3. Wisconsin Public Service Corporation, ETS Agreement, dated October 22, 2004.  
  
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4. Wisconsin Public Service Corporation, FTS-1 Agreement, dated October 22, 2004.  
  
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5. Callon Petroleum Operating Company, Habanero Lease Dedication Agreement, dated December 1, 2003.
6. PXP Offshore LLC, Letter Agreement Regarding Natural Gas Reserve Commitment, dated September 1, 2002.
7. Kerr-McGee Oil & Gas Corp., Red Hawk Lease Dedication Agreement, dated September 12, 2002.
8. ExxonMobil Gas Marketing Company, Lease Dedication Agreement, dated November 1, 2002.
9. BP Exploration & Production, Inc., Red Hawk Lease Dedication Agreement, dated November 1, 2002.
10. Wisconsin Electric Power Company, ETS Agreement, dated September 27, 2004.  
  
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11. Conoco Phillips Company, Magnolia Lease Dedication Agreement, dated February 1, 2004.
12. Chevron U.S.A. Inc. & BHP Billiton Petroleum (Deepwater) Inc., Lease Dedication Agreement, dated November 14, 2001.

13. City Gas Company, FTS-1 Agreement, dated June 28, 2004.  
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14. Centra Gas Manitoba, Inc., FTS-1 Agreement, dated August 1, 2004.  
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15. Wisconsin Electric Power Company, ETS Agreement, dated August 18, 2014.  
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16. ~~Reserved For Future Use.~~ Antero Resources Corporation, FTS-1 Agreements, dated September 22, 2014.  
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17. Reserved For Future Use.
18. Indeck-Corinth Limited Partnership and ABN-AMRO Bank, N.V.,  
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20. Reserved For Future Use.
21. Midland Cogeneration Venture Limited Partnership, FTS-1 Agreements, dated May  
23, 2006.  
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22. Wisconsin Gas LLC, FTS-1 Agreement, dated April 21, 2003.  
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23. Wisconsin Electric Power Company, FTS-1 Agreement, dated April 21, 2003.  
Contract No. 109223
24. Wisconsin Gas LLC, ETS Agreement, dated October 17, 2003.  
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25. Reserved For Future Use.
26. Reserved For Future Use.
27. Wisconsin Gas LLC, ETS Agreement, dated August 25, 2011.  
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28. Wisconsin Gas LLC, ETS Agreement, dated June 27, 2002.  
Contract Nos. 107877, 107879
29. Wisconsin Gas LLC, FSS Agreement, dated June 26, 2002.  
Contract Nos. 107870, 107871, 107880, 107881
30. Wisconsin Electric Power Company, ETS Agreement, dated June 27, 2002.  
Contract Nos. 107895, 107897, 107898, 107899
31. Wisconsin Gas LLC, NNS Agreement, dated June 27, 2002.  
Contract No. 107995
32. Wisconsin Electric Power Company, NNS Agreement, dated June 27, 2002.  
Contract No. 107997
33. Wisconsin Gas LLC, FSS Agreement, dated April 21, 2003.  
Contract Nos. 109210, 109211
34. Wisconsin Gas LLC, ETS Agreement, dated April 21, 2003.  
Contract No. 109218
35. Wisconsin Electric Power Company, ETS Agreement, dated April 21, 2003.  
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36. Wisconsin Electric Power Company, FSS Agreement, dated April 21, 2003.  
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37. Wisconsin Gas LLC, FSS Agreement, dated July 22, 2011.  
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38. Wisconsin Electric Power Company, ETS Agreement, dated July 22, 2011.  
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39. Wisconsin Gas LLC, ETS Agreement, dated July 22, 2011.  
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40. Tennessee Valley Authority, FTS-3 Agreement, dated July 23, 2008.  
Contract Nos. 114655, 114656
41. Wisconsin Public Service Corporation, ETS Agreement, dated October 6, 2004.  
Contract Nos. 1600, 5450, 106322
42. Wisconsin Public Service Corporation, NNS Agreement, dated October 6, 2004.  
Contract No. 99515
43. Wisconsin Public Service Corporation, FTS-1 Agreement, dated October 6, 2004.  
Contract Nos. 104404, 104405, 106199
44. Wisconsin Public Service Corporation, FSS Agreement, dated March 28, 2008.  
Contract Nos. 114369, 114370
45. Wisconsin Gas LLC, ETS Agreement, dated June 26, 2002.  
Contract No. 107873
46. Wisconsin Electric Power Company, ETS Agreement, dated June 26, 2002.  
Contract No. 107893
47. Madison Gas and Electric Company, FTS-1 Agreement, dated April 8, 2008.

Contract No. 114512

48. Chevron U.S.A. Inc., PTS-2 Agreement, dated November 14, 2001.

Contract No. 107146

49. BHP Billiton Petroleum (Deepwater) Inc., PTS-2 Agreement, dated November 14, 2001.

Contract No. 107147

50. PXP Offshore LLC, PTS-2 Agreement, dated September 12, 2002.

Contract No. 108250

51. Wisconsin Electric Power Company, FSS Agreement, dated June 26, 2002.

Contract Nos. 107889, 107900, 107901

52. Wisconsin Gas LLC, FSS Agreement, dated October 10, 2007.

Contract No. 113715

53. Wisconsin Electric Power Company, FSS Agreement, dated October 10, 2007.

Contract No. 113729

54. Wisconsin Gas LLC, ETS Agreement, dated October 31, 2007.

Contract No. 113710

55. Wisconsin Electric Power Company, ETS Agreement, dated November 1, 2007.

Contract No. 114091

**Appendix C**  
***ANR Pipeline Company***  
**Marked Agreements**

- 1) Antero Resources Corporation  
Rate Schedule FTS-1 Service Agreement and Amend No. 01 (#125082)
  
- 2) Antero Resources Corporation  
Rate Schedule FTS-1 Service Agreement (#125083)

**Date: September 22, 2014**

**Contract No.: 125082**

**FTS - 1 SERVICE AGREEMENT**

**This AGREEMENT** is entered into by ANR Pipeline Company (Transporter) and ANTERO RESOURCES CORPORATION (Shipper).

**WHEREAS**, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

**NOW, THEREFORE**, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

**1. AUTHORITY FOR TRANSPORTATION SERVICE:**

Pursuant to Part 284 of the Federal Energy Regulatory Commission's (FERC or Commission) Regulations.

**2. RATE SCHEDULE: Firm Transportation Service (FTS - 1)**

**3. CONTRACT QUANTITIES:**

Primary Routes- see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

**4. TERM OF AGREEMENT:**

This Agreement shall be effective as of March 1, 2015 and shall continue in full force and effect through February 28, 2045; provided, however, Transporter shall be under no obligation to receive or to deliver any quantities of natural gas hereunder prior to the "Commencement Date." The "Commencement Date" shall be the later of March 1, 2015, or the in-service date of the Southeast Mainline Reversal Project, which is necessary to provide the services hereunder. In no event shall the Commencement Date be prior to March 1, 2015, unless mutually agreed to in writing by Transporter and Shipper.

**5. RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as provided herein.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest changes in rates in whole or in part.

**6. INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

**7. NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sup>tm</sup>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street, Suite 25000  
Houston, Texas 77002-2761  
Attention: Commercial Services



Date: September 22, 2014

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**SHIPPER:**

ANTERO RESOURCES CORPORATION  
1615 WYNKOOP STREET  
DENVER, CO 80202  
Attention: JUSTIN FOWLER

Telephone: 303-357-6735  
FAX: 303-357-7315

**INVOICES AND STATEMENTS:**

ANTERO RESOURCES CORPORATION  
1615 WYNKOOP STREET  
DENVER, CO 80202  
Attention: SHERRY ANDERSON

Telephone: 303-357-7145  
FAX: 303-825-3112

**8. FURTHER AGREEMENT:**

**Creditworthiness**

During the initial term of this Agreement, Shipper understands and agrees that it will establish and maintain creditworthiness in accordance with Section 8(1) below, or provide and maintain Credit Support pursuant to Section 8(2) below.

(1) Shipper will be deemed creditworthy if its unenhanced senior unsecured debt securities are rated at least BBB- by Standard & Poor's Financial Services LLC ("S&P") or at least Baa3 by Moody's Investors Service, Inc. ("Moody's"). In the event Shipper is rated by both S&P and Moody's, the lower rating applies. Nothing herein shall limit Transporter's ability to evaluate any of the factors set forth in (A) – (F) below where Shipper's creditworthiness is established by a rating agency if such factor(s) would alter Transporter's evaluation of Shipper. If Shipper currently has service agreements with Transporter, the total of potential charges of all such service agreements shall be considered in determining creditworthiness.

If Shipper does not meet the creditworthiness standard described above, then Transporter shall evaluate creditworthiness based upon the level of Shipper's current and requested service with Transporter relative to Shipper's current and future ability to meet its

Date: September 22, 2014

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obligations. Such creditworthiness evaluation shall be based upon Transporter's evaluation of any or all of the following information:

- A. S&P, Moody's and other credit reporting agencies' opinions, outlooks, watch alerts, and rating actions.
- B. Financial reports whereby consistent financial statement analysis will be applied by Transporter to determine the acceptability of Shipper's current and future financial strength. Shipper's balance sheets, income statements, cash flow statements, notes to financial statements, and auditor's opinions will be analyzed along with key ratios and trends regarding liquidity, asset management, debt management, debt coverage, capital structure, operational efficiency and profitability.
- C. Whether Shipper is operating under any chapter of the bankruptcy code and is subject to liquidation or debt reduction procedures under state laws and whether there is pending any petition for involuntary bankruptcy. Transporter may give consideration for a Shipper who is a debtor-in-possession operating under Chapter XI of the Federal Bankruptcy Act if Transporter is assured that the service billing will be paid promptly as a cost of administration under the federal court's jurisdiction, based on a court order in effect, and if Shipper is continuing and continues in the future to make payment.
- D. Whether Shipper is subject to any lawsuits or judgments outstanding which could materially impact its ability to remain solvent.
- E. The nature of Shipper's business and the effect on that business of economic conditions, including Shipper's ability to recover the costs of Transporter's services through filings with regulatory agencies or otherwise to pass on such costs to its customers.
- F. Any other information, including any information provided by Shipper, that is relevant to Shipper's current and future financial strength and Shipper's ability to make full payment over the term of this Agreement.

(2) As used herein, "Credit Support" means (i) a guaranty of Shipper's contractual obligations under this Agreement, substantially in the form of Exhibit B, attached hereto, from an entity deemed creditworthy by Transporter in accordance with Section 8(1) above ("Guarantor"). Where the Guarantor is not an entity formed in the United States, the guaranty may not be substantially in the form of Exhibit B but shall be in a form acceptable to Transporter, in its sole discretion; or (ii) one of the following collateral options: (A) an

**Date: September 22, 2014**

**Contract No.: 125082**

irrevocable standby letter of credit substantially in the form of Exhibit C attached hereto and issued by a bank or financial institution deemed acceptable to Transporter for an amount up to the lesser of: (i) sixty-five million dollars (\$65,000,000) or (ii) Shipper's Proportionate Share of Project Costs (defined below) which shall be reduced over time in proportion to the Initial Term of Shipper's Service Agreement, but in no event reduced to less than three (3) months reservation charges; or (B) a cash security deposit delivered to Transporter in an amount up to the lesser of: (i) sixty-five million dollars (\$65,000,000) or (ii) Shipper's Proportionate Share of Project Costs which shall be reduced over time in proportion to the Initial Term of Shipper's Service Agreement, but in no event reduced to less than three (3) months reservation charges; or (iii) any other financial assurance mutually agreed upon by Transporter and Shipper. **With respect to 8(2)(A) and 8(2)(B) collateral options, it is agreed and understood by Transporter and Shipper that the sixty-five million dollars (\$65,000,000) discussed within this Section 8(2)(A) and 8(2)(B) applies collectively to Agreements #125082 and #125083, not singularly.**

If at any time Transporter or Shipper are in dispute as to whether Shipper or its proposed guarantor is creditworthy, then until such time as such dispute is resolved, Shipper shall be required to provide the Credit Support contemplated in clause (A) or (B) of this Section 8(2) (which shall be subject to immediate release in the event that the parties mutually agree or it is determined by Transporter that Shipper or its proposed guarantor is creditworthy).

The term "**Proportionate Share**" shall mean an amount equal to the ratio of Shipper's requested MDQ pursuant to this Agreement to the total MDQ by all shippers with a service agreement then in effect for Transporter's Southeast Mainline System Reversal Project (the "**Project**"). The term "**Project Costs**" shall mean the total demonstrable cost expended, including both direct and indirect costs charged to the Project, incurred or irrevocably committed by Transporter, in developing, permitting and/or constructing the Project, including any third party charges expended, incurred or irrevocably committed by Transporter in connection with the Project.

(3) Shipper shall maintain its creditworthiness, either directly or through provision of Credit Support, for the term of this Agreement. Transporter shall have the right to review Shipper's (or its Guarantor's) creditworthiness, in accordance with Section 8(1) above, on an ongoing basis and Shipper shall provide, upon Transporter's request, any information in order for Transporter to determine the continuing creditworthiness of Shipper (or its Guarantor). Transporter and Shipper agree that Shipper's failure to supply or maintain Credit Support shall not: (i) relieve Shipper of its other obligations under this Agreement; or (ii) prejudice Transporter's right to seek damages or performance under this Agreement.

**Date: September 22, 2014**

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(4) Shipper acknowledges that this Agreement is a contract under which Transporter will extend financial accommodations to Shipper, within the meaning of United States Bankruptcy Code Section 365(e)(2)(B). Shipper likewise acknowledges that in the event that a petition is filed, by or against Shipper or any Guarantor of Shipper's obligations hereunder under any chapter of the United States Bankruptcy Code, or any other legal jurisdiction, if applicable, and if Transporter does not terminate this Agreement as a result of such filing, Transporter may consider the bankruptcy filing in determining whether Shipper remains creditworthy and in determining what, if any, financial assurances must be submitted by or for Shipper as a condition to Shipper's creditworthiness under this Agreement.

(5) Section 8 shall apply to any assignee pursuant to an assignment (in whole or part) of this Agreement, or to any permanent capacity release, in whole or part, of this Agreement. Transporter may refuse to allow Shipper to permanently release capacity from this Agreement if Transporter has a reasonable basis to conclude that it will not be financially indifferent to the release. If Shipper's request to permanently release capacity is denied by Transporter, Transporter shall notify Shipper of such denial and shall include in the notification the reasons for such denial.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

**SHIPPER: ANTERO RESOURCES CORPORATION**

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**TRANSPORTER: ANR PIPELINE COMPANY**

**By:** \_\_\_\_\_

**Title:** Director, Commercial Services

**Date:** \_\_\_\_\_

**EXHIBIT B**  
**GUARANTY**

This Guaranty dated \_\_\_\_\_, 20\_\_\_\_, is made by \_\_\_\_\_, a  
\_\_\_\_\_ (“Guarantor”), in favor of **ANR Pipeline Company**, a Delaware  
Corporation (“Creditor”).

WITNESSETH:

WHEREAS, Creditor and \_\_\_\_\_, a \_\_\_\_\_ (“Debtor”),  
have entered into, or may hereafter enter into in the future, certain contracts, agreements or  
arrangements, including, but in no way limited to, contracts, agreements or arrangements  
involving the transportation, gathering, processing, treating, parking, lending, sale, purchase,  
pooling, exchange, aggregating, balancing or storage of natural gas or natural gas liquids or for  
products or services similar or related thereto (such contracts, agreements and arrangements,  
whether now existing or hereafter entered into between Debtor and Creditor, are individually  
referred to as an “Agreement” and collectively referred to as the “Agreements”); and

WHEREAS, to induce Creditor to extend or to continue to extend credit to Debtor,  
Guarantor has agreed to provide this Guaranty to Creditor;

NOW, THEREFORE, Guarantor agrees with Creditor as follows:

1. **Guaranty.** Guarantor unconditionally, absolutely and irrevocably guarantees to Creditor and its successors and assigns the full and prompt payment when due of all debts, obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, secured or unsecured, primary or secondary, at any time owing by Debtor to Creditor or remaining unpaid by Debtor to Creditor incurred under, or arising out of, the Agreements, including any amounts for interest, costs, expenses, penalties and damages, as further set forth herein (all such debts, obligations and liabilities are collectively referred to as the “Guaranteed Obligations”). Guarantor shall pay interest on any amounts due under this Guaranty as set forth in Section 17. Guarantor shall pay any and all out-of-pocket costs, including reasonable legal fees and expenses, and other expenses incurred by Creditor in enforcing Guarantor’s obligations under this Guaranty; provided that Guarantor shall not be liable for such expenses of Creditor if Creditor is not successful in such enforcement action. This is a guaranty of payment and not of collection. This Guaranty is in addition to, and does not limit, any other guaranty of Guarantor. Nothing herein shall be construed as an obligation on the part of Creditor to extend credit to Debtor or to continue to extend credit to Debtor.
2. **Liability as principal debtor.** Creditor may recover from Guarantor as a principal debtor any Guaranteed Obligations that Creditor may not recover from Guarantor as guarantor under Section 1, and Guarantor agrees to pay all such Guaranteed Obligations to Creditor as principal debtor. The provisions of this Guaranty shall apply generally with the necessary changes as to the points of detail to the liability of Guarantor as principal debtor hereunder.
3. **Guaranty absolute.** The liability of Guarantor is absolute and unconditional and shall remain in full force and effect without regard to, and shall not be released, suspended, discharged, impaired, terminated or otherwise affected by, any circumstance or occurrence whatsoever, including, without limitation:

- a) any action or inaction by Creditor as contemplated in Section 4;
  - b) any change in the structure or ownership of Debtor, Guarantor or Creditor or any other change in the relationship between Debtor and Guarantor;
  - c) any change in the financial condition of Debtor, Guarantor or Creditor;
  - d) the bankruptcy, winding-up, liquidation, dissolution, insolvency, reorganization or other similar proceeding affecting Debtor or its assets or any resulting release, stay or discharge of any Guaranteed Obligations;
  - e) any event or occurrence beyond the reasonable control of any party (other than any such event or occurrence that relieves Debtor of liability for the performance of any Guaranteed Obligation under any Agreement) or act of government in relation to, or directly or indirectly affecting, any Agreement, any Guaranteed Obligations, Debtor, Guarantor or Creditor; or
  - f) any other law, regulation or other circumstance that might otherwise constitute a defense available to, or a discharge of, Debtor or Guarantor in respect of any of the Guaranteed Obligations.
4. **No release.** The liability of Guarantor is not released, discharged, limited or in any way affected by anything Creditor does, suffers or permits in connection with any duties or liabilities of Debtor to Creditor or any security for those duties or liabilities, including without limitation any loss of or in respect of any security received by Creditor from Debtor or others. Creditor may, at any time and from time to time, without the consent of or notice to Guarantor, and without impairing, releasing, discharging, limiting or otherwise affecting in whole or in part the obligations of Guarantor hereunder:
- a) change the manner, place or terms of payment of, and/or exchange or extend the time of payment of, renew, amend or alter, any of the Guaranteed Obligations;
  - b) sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any assets securing the Guaranteed Obligations;
  - c) exercise or refrain from exercising any rights against Debtor or others or otherwise act or refrain from acting;
  - d) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof;
  - e) apply any sums, regardless of how realized, to any liability owing by Debtor to Creditor under or pursuant to the Agreements;
  - f) consent to or waive any breach of, or any act, omission or default under any Agreement or otherwise amend, modify or supplement any Agreement;
  - g) act or fail to act in any manner referred to in this Guaranty which may deprive Guarantor of any right against Debtor of the type described in Section 12 to recover any payments made pursuant to this Guaranty; and
  - h) release Debtor or any other party liable in any manner for payment of any or all of the Guaranteed Obligations.

5. **No exhaustion of remedies.** Creditor is not bound or obliged to exhaust its recourse against Debtor or any other persons or any security or collateral it may hold or take any other action before being entitled to demand payment from Guarantor.
6. **No set-off or counterclaim.** Payments under this Guaranty shall be made without set-off or counterclaim whatsoever and free of any deductions or withholdings.
7. **Continuing guaranty.** This Guaranty is a continuing guaranty and is binding as a continuing obligation of Guarantor. This Guaranty shall apply to any ultimate balance due or remaining due to Creditor, and Guarantor shall continue to be bound, despite the payment from time to time during the term of this Guaranty of the whole or any part of the Guaranteed Obligations owed by Debtor to Creditor. This Guaranty shall continue to be effective or shall be reinstated, as the case may be, if at any time payment of any of the Guaranteed Obligations is rendered unenforceable or is rescinded or must otherwise be returned by Creditor upon the occurrence of any action or event, including, without limitation, the bankruptcy, reorganization, winding-up, liquidation, dissolution or insolvency of Debtor or Guarantor, all as though such payment had not been made.
8. **Representations and warranties.** Guarantor represents and warrants to Creditor that:
  - a) Guarantor (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and (ii) has the power and authority to own its property and assets, to transact the business in which it is engaged and to enter into and perform its obligations under this Guaranty;
  - b) the execution, delivery, observance and performance of this Guaranty by Guarantor do not and will not conflict with or result in a breach of the articles, certificate, by-laws, or other organizational or formation documents of Guarantor, or of the terms or provisions of any judgment, law, decree, order, statute, rule, regulation or agreement, indenture or instrument to which Guarantor is a party or by which Guarantor or its assets are bound or to which Guarantor or its assets are subject, or constitute a default under any of them;
  - c) this Guaranty has been duly authorized, executed and delivered by Guarantor;
  - d) this Guaranty constitutes a legal, valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms; and
  - e) this Guaranty reasonably may be expected to benefit Guarantor, either directly or indirectly.
9. **Demand for payment.** Guarantor shall pay, within five (5) business days (as determined in the location where payment is to be made) after demand by Creditor and in immediately available funds, all Guaranteed Obligations due under the Agreements. Guarantor shall make all such payments in accordance with the instructions set forth in such demand. There are no other requirements of notice, presentment or demand that are required to be made under this Guaranty.
10. **Stay of acceleration.** If acceleration of the time for payment of any amount payable by Debtor in respect of the Guaranteed Obligations is stayed on the insolvency, bankruptcy, arrangement or reorganization of Debtor or on any moratorium affecting the payment of the Guaranteed Obligations, Guarantor shall nonetheless pay immediately on demand all amounts that would otherwise be subject to acceleration.

11. **Termination.** This Guaranty is a continuing guaranty effective from and after the date hereof; however, Guarantor may terminate its liability under this Guaranty with respect to Guaranteed Obligations incurred under or arising from any Agreement entered into on or after the Effective Date (as defined below) by providing written notice of such termination to Creditor in accordance with Section 24. Guarantor's notice of termination will become effective on the thirtieth (30<sup>th</sup>) day (the "Effective Date") after receipt of the notice by Creditor. From and after the Effective Date, Guarantor will not be liable pursuant to this Guaranty for any debts, obligations or liabilities incurred under or arising out of any Agreement entered into by Debtor on or after the Effective Date; **PROVIDED, HOWEVER, Guarantor will continue to remain liable for any and all Guaranteed Obligations under Agreements entered into by Debtor prior to the Effective Date, whether such Guaranteed Obligations arose prior to, on or after the Effective Date.** In addition, the termination of this Guaranty shall not affect Guarantor's liability for interest accruing as set forth in Section 17 on all Guaranteed Obligations for which Guarantor remains liable and shall not affect Guarantor's liability for legal fees, costs and other expenses incurred by Creditor in collecting such Guaranteed Obligations.
12. **Subordination and subrogation.** If and to the extent that Guarantor makes any payment to Creditor pursuant to this Guaranty, any claim which Guarantor may have against Debtor by reason thereof shall be subject and subordinate to the prior payment in full of all of the Guaranteed Obligations. Guarantor agrees that it will not exercise any rights that it may now or hereafter acquire against Debtor that arise from the existence, payment, performance or enforcement of the Guaranteed Obligations under this Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or proceeding, or remedy of any other party against Debtor, unless and until all of the Guaranteed Obligations and all other amounts payable under this Guaranty shall have been irrevocably paid, satisfied or discharged in full.
13. **Waivers.** Guarantor waives diligence, presentment, protest, notice of acceptance of this Guaranty and notice of any liability to which it may apply, notice of dishonor or nonpayment, and any other notice not expressly required by this Guaranty.
14. **No merger.** Neither an action or proceeding brought under this Guaranty regarding the Guaranteed Obligations nor any judgment or recovery in consequence of that action or proceeding operates as a bar or defense to any further action or proceeding that may be brought under this Guaranty. Any action, proceeding, judgment or recovery does not constitute a merger of any of Creditor's rights or remedies under this Guaranty. Any judgment obtained by Creditor in whole or in part of any of the Guaranteed Obligations under this Guaranty does not constitute a merger of this Guaranty into that judgment.
15. **Foreign currency obligations.** Guarantor shall make payment under this Guaranty in the legal currency of the United States of America ("US Currency"). If Guarantor makes payment in a currency other than US Currency (whether voluntarily or under an order or judgment of a court or tribunal of any jurisdiction), the payment constitutes a discharge of Guarantor's liability only to the extent of the amount of US Currency that Creditor is able to purchase with the amount of the currency it receives on the date of receipt utilizing Creditor's customary foreign exchange practices as in effect on such date. Guarantor agrees to indemnify and hold harmless Creditor from and against any loss arising out of any currency-related deficiency in payment. This indemnity constitutes a separate and independent obligation giving rise to a separate cause of action. A certificate of an officer of Creditor certifying any deficiency or loss is, in the absence of manifest error, prima facie evidence of that deficiency or loss.



16. **Benefit to Guarantor.** Subject to the terms of Section 25, this Guaranty shall be binding upon Guarantor and its successors and permitted assigns and shall inure to the benefit of and be enforceable by Creditor and its successors and assigns and shall apply to Debtor and its successors and assigns.
17. **Interest.** Guarantor shall pay to Creditor interest on the unpaid portion of the Guaranteed Obligations according to the terms of the Agreements. If payment of interest is not provided for in any Agreement, then Guarantor shall pay to Creditor interest on the unpaid portion of the Guaranteed Obligations under such Agreement at an annual rate equal to the lesser of (i) two percent (2%) above the prime rate of interest from time to time published under "Money Rates" in The Wall Street Journal (or if at the time of determination thereof, such rate is not being published in The Wall Street Journal, such comparable rate from a federally insured bank in New York, New York as Creditor may reasonably determine), or (ii) the maximum rate of interest permitted by applicable law, the rate in either case to be calculated daily from and including the due date until payment is made in full.
18. **Entire agreement.** This Guaranty represents the entire rights and obligations of the parties pertaining to the subject matter hereof and supersedes all prior oral or written agreements and understandings pertaining hereto.
19. **No waiver, remedies.** No failure or delay on the part of Creditor in exercising any right, power or privilege under this Guaranty and no course of dealing between Guarantor or Creditor shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Guaranty preclude any other or further exercise thereof or any other right, power or privilege. The rights, powers or remedies in this Guaranty are cumulative and not exclusive of any rights, powers or remedies which Creditor would otherwise have.
20. **Additional information.** Guarantor covenants and agrees that, so long as any part of the Guaranteed Obligations shall remain unpaid or any of the Agreements remain in effect, Guarantor will furnish to Creditor information regarding the financial condition of Guarantor as Creditor may from time to time reasonably request.
21. **Further assurances.** Guarantor agrees to promptly execute and deliver to Creditor, whenever and as often as reasonably requested to do so by Creditor, any further instruments of further assurances and consents as Creditor may deem necessary to confirm the continuing nature and extent of this Guaranty.
22. **Amendments.** No amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed (i) in the case of an amendment, by Guarantor and Creditor, and (ii) in the case of a waiver or consent, by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.
23. **Severability.** If any provision of this Guaranty is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will apply only to that provision and all other provisions of this Guaranty will continue in full force and effect as if such invalid or unenforceable provision were omitted. If this Guaranty is determined to be invalid or unenforceable for any reason, such invalidity or unenforceability will not apply to any of the representations and warranties provided in Section 8, which is deemed to be a separate and independent legal, valid, binding and enforceable agreement between Guarantor and Creditor and will continue in full force.

Creditor is entitled to proceed with any remedy available to it as a result of Guarantor's breach of any of the representations and warranties provided in Section 8.

24. Notices. All notices and other communications hereunder (1) shall be in writing and shall be addressed to the parties at their respective addresses set forth below or at such other address for a party as shall be designated in a written notice by such party to the other party and (2) will be deemed to have been received when delivered personally or by overnight courier, or when received if sent by mail, registered or certified, postage prepaid and return receipt requested:

**If to Guarantor, to:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

**If to Creditor, to:**

**ANR Pipeline Company**  
c/o TransCanada Corporation  
450 – 1<sup>st</sup> Street SW  
Calgary, Alberta  
Canada T2P 5H1

Attention: Director, Counterparty Risk

25. Assignment. Guarantor may not assign its obligations under this Guaranty in part or in whole without the prior written consent of Creditor, and any purported assignment or delegation without such consent shall be null, void and of no effect. Creditor may assign all or any of its rights under this Guaranty without the consent of Debtor or Guarantor.
26. Governing law. This Guaranty is governed by and to be construed according to the laws of the state of New York without giving effect to any choice or conflict of law rules or provisions that would require the application of the laws of another jurisdiction. Guarantor irrevocably consents to the nonexclusive jurisdiction of the courts of the State of Texas and the United States District Court, in each case, located in Houston, Texas, for the purposes of any action or proceeding arising out of or related to this Guaranty. Guarantor agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably waives, to the fullest extent permitted by law, any claim of inconvenient forum or other objection which it may now or hereafter have to the laying of venue in any such court. Guarantor also irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to Guarantor at the address specified by it pursuant to this Guaranty. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section shall affect Creditor's right to serve legal process in any other manner permitted by law or its right to bring any action or proceeding against Guarantor or its property in the courts of other jurisdictions.
27. Headings and section references. The headings contained in this Guaranty are for reference purposes only and shall not affect the meaning or interpretation of this

Guaranty. Unless the context indicates otherwise, all references in this Guaranty to sections shall refer to the corresponding section of this Guaranty.

28. **Facsimile signature, counterparts.** A signature delivered by facsimile by any reliable electronic transmission shall be deemed to be an original signature for purposes of the Guaranty and shall be binding upon Guarantor as an original signature. Notwithstanding that Guarantor may deliver a signature by facsimile, Guarantor covenants to deliver an originally executed counterpart of this Guaranty to Creditor within a reasonable period of time after executing the Guaranty. This Guaranty may be executed in counterparts, each of which shall be deemed an original but which together will constitute one and the same instrument.

IN WITNESS WHEREOF, Guarantor has signed and delivered this Guaranty to be effective as of the date first-above written.

**[Insert Guarantor Name]**

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

**EXHIBIT C**

**IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.]**

**[INSERT DATE]**

**FROM:**

**[INSERT NAME OF BANK]**  
**[INSERT BANK'S ADDRESS]**

**TO:**

**ANR PIPELINE COMPANY**  
**C/O TRANSCANADA CORPORATION**  
**450 - 1ST STREET SW**  
**CALGARY, ALBERTA**  
**T2P 5H1**

**ATTENTION: DIRECTOR, COUNTERPARTY RISK**  
**FACSIMILE: (403) 920-2359**  
**ELECTRONIC MAIL: COUNTERPARTY\_RISK@TRANSCANADA.COM**

**(THE "BENEFICIARY'S ADDRESS")**

**APPLICANT:**

**[INSERT NAME OF APPLICANT]**  
**[INSERT APPLICANT'S ADDRESS]**

**[INSERT NAME OF BANK] (THE "BANK"), HEREBY ISSUES THIS IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.] (THE "LETTER OF CREDIT") IN THE AGGREGATE AMOUNT NOT EXCEEDING US\$ [INSERT AMOUNT], IN SUPPORT OF THE OBLIGATIONS OF [INSERT NAME OF COUNTERPARTY] (THE "COUNTERPARTY") TO ANR PIPELINE COMPANY (THE "BENEFICIARY").**

**THE "EXPIRATION DATE" SHALL BE [INSERT DATE OF EXPIRATION DATE], PROVIDED THAT THE EXPIRATION DATE IN EFFECT AT ANY TIME SHALL AUTOMATICALLY EXTEND FOR ONE (1) YEAR THEREAFTER, EFFECTIVE IMMEDIATELY PRIOR TO SUCH EXPIRATION DATE THEN IN EFFECT, UNLESS AT LEAST NINETY (90) CALENDAR DAYS PRIOR TO ANY SUCH EXPIRATION DATE THEN IN EFFECT, THE BANK NOTIFIES THE BENEFICIARY IN WRITING BY REGISTERED MAIL, OR BY OVERNIGHT**

COURIER DELIVERY, TO THE BENEFICIARY'S ADDRESS THAT SUCH EXPIRATION DATE THEN IN EFFECT SHALL NOT BE EXTENDED. IN THE EVENT SUCH NOTICE IS PROVIDED BY THE BANK, AND THE BENEFICIARY IS NOT IN RECEIPT OF A REPLACEMENT LETTER OF CREDIT WHICH IS ACCEPTABLE TO IT AT LEAST THIRTY (30) CALENDAR DAYS PRIOR TO THE THEN CURRENT EXPIRATION DATE, THE BENEFICIARY MAY DRAW UPON THIS LETTER OF CREDIT AS OUTLINED BELOW.

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE TO THE BENEFICIARY ON OR BEFORE THE EXPIRATION DATE ON PRESENTATION BY THE BENEFICIARY OF A REQUEST IN SUBSTANTIALLY THE FORM ATTACHED HERETO AS EXHIBIT "1" (THE "DRAWDOWN DOCUMENT"), DURING BUSINESS HOURS ON ANY DAY ON WHICH THE BANK IS OPEN FOR BUSINESS IN [INSERT CITY AND STATE IN WHICH DRAWING MUST TAKE PLACE] AT [INSERT BANK'S ADDRESS, INCLUDING MAIL ADDRESS, COURIER ADDRESS AND FACSIMILE NUMBER] (THE "BANK'S ADDRESS").

THE BANK HEREBY UNDERTAKES TO HONOUR THE DRAWDOWN DOCUMENT, IF IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT AT THE BANK'S ADDRESS, WITHOUT INQUIRING WHETHER THE BENEFICIARY HAS A RIGHT, AS BETWEEN THE BENEFICIARY AND THE COUNTERPARTY, TO MAKE SUCH REQUEST AND WITHOUT RECOGNIZING ANY CLAIMS OF THE COUNTERPARTY. PRESENTATION OF THE DRAWDOWN DOCUMENT VIA FACSIMILE, ELECTRONIC MAIL, REGISTERED MAIL, COURIER OR IN PERSON SHALL BE PERMITTED HEREUNDER. PRESENTATION OF THE DRAWDOWN DOCUMENT SHALL BE HONORED WITHIN TWO (2) BUSINESS DAYS AFTER RECEIPT OF THE DRAWDOWN DOCUMENT. PAYMENT WILL BE EFFECTED BY WIRE TRANSFER IN IMMEDIATELY AVAILABLE FUNDS TO SUCH ACCOUNT AS BENEFICIARY MAY DESIGNATE TO US IN SUCH DRAWDOWN DOCUMENT.

ANY NUMBER OF PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS ARE PERMITTED UNDER THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE INTERNATIONAL CHAMBER OF COMMERCE'S INTERNATIONAL STANDBY PRACTICES ("ISP 98") EXCEPT TO THE EXTENT THAT THE TERMS HEREOF ARE INCONSISTENT WITH THE PROVISIONS OF THE ISP 98, IN WHICH CASE THE TERMS OF THIS LETTER OF CREDIT SHALL GOVERN.

THIS LETTER OF CREDIT IS GOVERNED BY AND TO BE CONSTRUED ACCORDING TO THE LAWS OF STATE OF NEW YORK AND APPLICABLE U.S. FEDERAL LAW, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW RULES OR PROVISIONS THEREOF WHICH MAY DIRECT THE APPLICATION OF THE LAWS OR RULES OF ANOTHER JURISDICTION, AS TO MATTERS WHICH ARE NOT GOVERNED BY THE ISP 98. THE PARTIES

HEREBY IRREVOCABLY AGREE TO ATTORN TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF STATE OF NEW YORK.

A FACSIMILE, ELECTRONIC MAIL OR ELECTRONIC TRANSMISSION OF THIS LETTER OF CREDIT SHALL SERVE AS AN OPERATIVE INSTRUMENT UNTIL RECEIPT BY THE BENEFICIARY OF THE ORIGINAL LETTER OF CREDIT.

NOTICES CONCERNING THIS LETTER OF CREDIT MAY BE SENT TO A PARTY BY COURIER, CERTIFIED MAIL, REGISTERED MAIL, FACSIMILE, ELECTRONIC TRANSMISSION, ELECTRONIC MAIL OR SIMILAR COMMUNICATIONS FACILITY, TO ITS RESPECTIVE ADDRESS SET FORTH HEREIN AND IS DEEMED TO HAVE BEEN RECEIVED BY THE PARTY TO WHOM IT IS SENT AT THE TIME OF ITS DELIVERY IF PERSONALLY DELIVERED, OR ON THE BUSINESS DAY FOLLOWING ITS RECEIPT IF MAILED BY COURIER, CERTIFIED MAIL OR REGISTERED MAIL, OR ON THE BUSINESS DAY FOLLOWING ITS SUCCESSFUL TRANSMITTAL IF SENT BY FACSIMILE, ELECTRONIC TRANSMISSION OR ELECTRONIC MAIL.

THE BENEFICIARY MAY MAKE INQUIRIES REGARDING THIS LETTER OF CREDIT BY WAY OF WRITING ADDRESSED TO THE BANK'S ADDRESS, OR BY TELEPHONE AT [INSERT BANK'S TELEPHONE NO.], OR BY ELECTRONIC MAIL AT [INSERT BANK'S E-MAIL ADDRESS].

**[INSERT NAME OF BANK]**

PER: \_\_\_\_\_

NAME:

TITLE:

**EXHIBIT “1”**

**REFERENCE IS MADE TO THE IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.] (THE “LETTER OF CREDIT”) OF [INSERT NAME OF BANK] (THE “BANK”) DATED [INSERT ORIGINAL DATE OF LETTER OF CREDIT] AS IT MAY BE AMENDED, IN SUPPORT OF THE OBLIGATIONS OF [INSERT NAME OF COUNTERPARTY] (THE “COUNTERPARTY”) TO ANR PIPELINE COMPANY (THE “BENEFICIARY”). THE BENEFICIARY HEREBY CERTIFIES TO THE BANK THAT BECAUSE THE COUNTERPARTY HAS FAILED TO PAY THE BENEFICIARY OR PERFORM ITS OBLIGATIONS IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THE AGREEMENTS BETWEEN THE BENEFICIARY AND THE COUNTERPARTY, OR THAT THE COUNTERPARTY HAS NOT PROVIDED A REPLACEMENT LETTER OF CREDIT, OR ALTERNATIVE SECURITY, ACCEPTABLE TO THE BENEFICIARY AT LEAST THIRTY (30) CALENDAR DAYS PRIOR TO THE EXPIRATION DATE (AS DEFINED IN THE LETTER OF CREDIT), THE BENEFICIARY IS DRAWING UPON THE LETTER OF CREDIT IN AN AMOUNT EQUAL TO US\$ [INSERT AMOUNT OF DRAWING].**

**BENEFICIARY DIRECTS THE PAYMENT OF SUCH AMOUNT TO BE MADE BY TRANSFERRING TO BENEFICIARY’S ACCOUNT NO. [INSERT ACCOUNT NUMBER] [INSERT BENEFICIARY’S WIRING INSTRUCTIONS], IN IMMEDIATELY AVAILABLE FUNDS FOR THE AMOUNT SPECIFIED ABOVE.**

DATED AS OF THE \_\_\_\_\_ DAY OF \_\_\_\_\_.

**ANR PIPELINE COMPANY**

PER: \_\_\_\_\_  
NAME:  
TITLE:

Contract No: 125082

Amendment No: 01

### AMENDMENT

Date: October 24, 2014

“Transporter”: ANR PIPELINE COMPANY

“Shipper”: ANTERO RESOURCES CORPORATION

FTS-1 Contract No. 125082 dated September 22, 2014 ("Agreement") between Transporter and Shipper is amended effective March 01, 2015 as follows:

- 1). Shipper and Transporter have agreed to change the Primary Delivery Point under this Agreement from SE CDP to Duralde Evangeline. An updated Primary Route Exhibit reflecting this change is attached.
  
- 2). **5. RATES:** (Amended and restated in its entirety)

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as provided herein.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest changes in rates in whole or in part.

Shipper's reservation rate for the primary route in Section 5 above under this contract #125082 shall be the maximum ML-3 to Southeast Area (SE) reservation rate allowable by FERC for service under ANR's FTS-1 Rate Schedule, as may change from time to time. There shall be no additional uptick in the reservation rate charged to Shipper for secondary nominations to the SE Area CDP (345116).



Contract No: 125082

Amendment No: 01

All other terms and conditions of the Agreement shall remain in full force and effect.

**ANTERO RESOURCES CORPORATION**

**"Shipper"**

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**ANR PIPELINE COMPANY**

**"Transporter"**

**By:** \_\_\_\_\_

**Title:** Director, Commercial Services

**Date:** \_\_\_\_\_

**PRIMARY ROUTE EXHIBIT**

**To Agreement Between  
ANR PIPELINE COMPANY (Transporter)  
AND ANTERO RESOURCES CORPORATION (Shipper)**

Contract No: 125082  
Rate Schedule: FTS-1  
Contract Date: September 22, 2014  
Amendment Date: October 24, 2014

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
1394986 WESTRICK CDP FROM: March 01, 2015	312115 DURALDE EVANGELINE INT TO: February 28, 2045	300000	0	0

**Date: September 22, 2014**

**Contract No.: 125083**

**FTS - 1 SERVICE AGREEMENT**

**This AGREEMENT** is entered into by ANR Pipeline Company (Transporter) and ANTERO RESOURCES CORPORATION (Shipper).

**WHEREAS**, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

**NOW, THEREFORE**, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

**1. AUTHORITY FOR TRANSPORTATION SERVICE:**

Pursuant to Part 284 of the Federal Energy Regulatory Commission's (FERC or Commission) Regulations.

**2. RATE SCHEDULE: Firm Transportation Service (FTS - 1)**

**3. CONTRACT QUANTITIES:**

Primary Routes- see Exhibit attached hereto

Such Contract Quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

**4. TERM OF AGREEMENT:**

This Agreement shall be effective as of March 1, 2015 and shall continue in full force and effect through February 28, 2045; provided, however, Transporter shall be under no obligation to receive or to deliver any quantities of natural gas hereunder prior to the "Commencement Date." The "Commencement Date" shall be the later of March 1, 2015, or the in-service date of the Southeast Mainline Reversal Project, which is necessary to provide the services hereunder. In no event shall the Commencement Date be prior to March 1, 2015, unless mutually agreed to in writing by Transporter and Shipper.

**5. RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as provided herein.

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest changes in rates in whole or in part.

**6. INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

**7. NOTICES:**

All notices can be given by telephone or other electronic means, however, such notice shall be confirmed in writing at the addresses below or through GEMS<sup>tm</sup>. Shipper or Transporter may change the addresses below by written notice to the other without the necessity of amending this agreement:

**TRANSPORTER:**

ANR Pipeline Company  
717 Texas Street, Suite 25000  
Houston, Texas 77002-2761  
Attention: Commercial Services

Date: September 22, 2014

Contract No.: 125083

**SHIPPER:**

ANTERO RESOURCES CORPORATION  
1615 WYNKOOP STREET  
DENVER, CO 80202  
Attention: JUSTIN FOWLER

Telephone: 303-357-6735  
FAX: 303-357-7315

**INVOICES AND STATEMENTS:**

ANTERO RESOURCES CORPORATION  
1615 WYNKOOP STREET  
DENVER, CO 80202  
Attention: SHERRY ANDERSON

Telephone: 303-357-7145  
FAX: 303-825-3112

**8. FURTHER AGREEMENT:**

**Creditworthiness**

During the initial term of this Agreement, Shipper understands and agrees that it will establish and maintain creditworthiness in accordance with Section 8(1) below, or provide and maintain Credit Support pursuant to Section 8(2) below.

(1) Shipper will be deemed creditworthy if its unenhanced senior unsecured debt securities are rated at least BBB- by Standard & Poor's Financial Services LLC ("S&P") or at least Baa3 by Moody's Investors Service, Inc. ("Moody's"). In the event Shipper is rated by both S&P and Moody's, the lower rating applies. Nothing herein shall limit Transporter's ability to evaluate any of the factors set forth in (A) – (F) below where Shipper's creditworthiness is established by a rating agency if such factor(s) would alter Transporter's evaluation of Shipper. If Shipper currently has service agreements with Transporter, the total of potential charges of all such service agreements shall be considered in determining creditworthiness.

If Shipper does not meet the creditworthiness standard described above, then Transporter shall evaluate creditworthiness based upon the level of Shipper's current and requested service with Transporter relative to Shipper's current and future ability to meet its

**Date: September 22, 2014**

**Contract No.: 125083**

obligations. Such creditworthiness evaluation shall be based upon Transporter's evaluation of any or all of the following information:

- A. S&P, Moody's and other credit reporting agencies' opinions, outlooks, watch alerts, and rating actions.
- B. Financial reports whereby consistent financial statement analysis will be applied by Transporter to determine the acceptability of Shipper's current and future financial strength. Shipper's balance sheets, income statements, cash flow statements, notes to financial statements, and auditor's opinions will be analyzed along with key ratios and trends regarding liquidity, asset management, debt management, debt coverage, capital structure, operational efficiency and profitability.
- C. Whether Shipper is operating under any chapter of the bankruptcy code and is subject to liquidation or debt reduction procedures under state laws and whether there is pending any petition for involuntary bankruptcy. Transporter may give consideration for a Shipper who is a debtor-in-possession operating under Chapter XI of the Federal Bankruptcy Act if Transporter is assured that the service billing will be paid promptly as a cost of administration under the federal court's jurisdiction, based on a court order in effect, and if Shipper is continuing and continues in the future to make payment.
- D. Whether Shipper is subject to any lawsuits or judgments outstanding which could materially impact its ability to remain solvent.
- E. The nature of Shipper's business and the effect on that business of economic conditions, including Shipper's ability to recover the costs of Transporter's services through filings with regulatory agencies or otherwise to pass on such costs to its customers.
- F. Any other information, including any information provided by Shipper, that is relevant to Shipper's current and future financial strength and Shipper's ability to make full payment over the term of this Agreement.

(2) As used herein, "Credit Support" means (i) a guaranty of Shipper's contractual obligations under this Agreement, substantially in the form of Exhibit B, attached hereto, from an entity deemed creditworthy by Transporter in accordance with Section 8(1) above ("Guarantor"). Where the Guarantor is not an entity formed in the United States, the guaranty may not be substantially in the form of Exhibit B but shall be in a form acceptable to Transporter, in its sole discretion; or (ii) one of the following collateral options: (A) an

**Date: September 22, 2014**

**Contract No.: 125083**

irrevocable standby letter of credit substantially in the form of Exhibit C attached hereto and issued by a bank or financial institution deemed acceptable to Transporter for an amount up to the lesser of: (i) sixty-five million dollars (\$65,000,000) or (ii) Shipper's Proportionate Share of Project Costs (defined below) which shall be reduced over time in proportion to the Initial Term of Shipper's Service Agreement, but in no event reduced to less than three (3) months reservation charges; or (B) a cash security deposit delivered to Transporter in an amount up to the lesser of: (i) sixty-five million dollars (\$65,000,000) or (ii) Shipper's Proportionate Share of Project Costs which shall be reduced over time in proportion to the Initial Term of Shipper's Service Agreement, but in no event reduced to less than three (3) months reservation charges; or (iii) any other financial assurance mutually agreed upon by Transporter and Shipper. **With respect to 8(2)(A) and 8(2)(B) collateral options, it is agreed and understood by Transporter and Shipper that the sixty-five million dollars (\$65,000,000) discussed within this Section 8(2)(A) and 8(2)(B) applies collectively to Agreements #125082 and #125083, not singularly.**

If at any time Transporter or Shipper are in dispute as to whether Shipper or its proposed guarantor is creditworthy, then until such time as such dispute is resolved, Shipper shall be required to provide the Credit Support contemplated in clause (A) or (B) of this Section 8(2) (which shall be subject to immediate release in the event that the parties mutually agree or it is determined by Transporter that Shipper or its proposed guarantor is creditworthy).

The term "**Proportionate Share**" shall mean an amount equal to the ratio of Shipper's requested MDQ pursuant to this Agreement to the total MDQ by all shippers with a service agreement then in effect for Transporter's Southeast Mainline System Reversal Project (the "**Project**"). The term "**Project Costs**" shall mean the total demonstrable cost expended, including both direct and indirect costs charged to the Project, incurred or irrevocably committed by Transporter, in developing, permitting and/or constructing the Project, including any third party charges expended, incurred or irrevocably committed by Transporter in connection with the Project.

(3) Shipper shall maintain its creditworthiness, either directly or through provision of Credit Support, for the term of this Agreement. Transporter shall have the right to review Shipper's (or its Guarantor's) creditworthiness, in accordance with Section 8(1) above, on an ongoing basis and Shipper shall provide, upon Transporter's request, any information in order for Transporter to determine the continuing creditworthiness of Shipper (or its Guarantor). Transporter and Shipper agree that Shipper's failure to supply or maintain Credit Support shall not: (i) relieve Shipper of its other obligations under this Agreement; or (ii) prejudice Transporter's right to seek damages or performance under this Agreement.

**Date: September 22, 2014**

**Contract No.: 125083**

(4) Shipper acknowledges that this Agreement is a contract under which Transporter will extend financial accommodations to Shipper, within the meaning of United States Bankruptcy Code Section 365(e)(2)(B). Shipper likewise acknowledges that in the event that a petition is filed, by or against Shipper or any Guarantor of Shipper's obligations hereunder under any chapter of the United States Bankruptcy Code, or any other legal jurisdiction, if applicable, and if Transporter does not terminate this Agreement as a result of such filing, Transporter may consider the bankruptcy filing in determining whether Shipper remains creditworthy and in determining what, if any, financial assurances must be submitted by or for Shipper as a condition to Shipper's creditworthiness under this Agreement.

(5) Section 8 shall apply to any assignee pursuant to an assignment (in whole or part) of this Agreement, or to any permanent capacity release, in whole or part, of this Agreement. Transporter may refuse to allow Shipper to permanently release capacity from this Agreement if Transporter has a reasonable basis to conclude that it will not be financially indifferent to the release. If Shipper's request to permanently release capacity is denied by Transporter, Transporter shall notify Shipper of such denial and shall include in the notification the reasons for such denial.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives thereunto duly authorized to be effective as of the date stated above.

**SHIPPER: ANTERO RESOURCES CORPORATION**

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**TRANSPORTER: ANR PIPELINE COMPANY**

**By:** \_\_\_\_\_

**Title:** Director, Commercial Services

**Date:** \_\_\_\_\_



**PRIMARY ROUTE EXHIBIT**

**To Agreement Between  
ANR PIPELINE COMPANY (Transporter)  
AND ANTERO RESOURCES CORPORATION (Shipper)**

Contract No: 125083  
Rate Schedule: FTS-1  
Contract Date: September 22, 2014  
Amendment Date:

Receipt Location Name	Delivery Location Name	Annual MDQ (DTH)	Winter MDQ (DTH)	Summer MDQ (DTH)
1394986 WESTRICK CDP FROM: March 01, 2015	345116 S E CDP (TRANSMISSION) TO: February 28, 2045	300000	0	0

**EXHIBIT B**  
**GUARANTY**

This Guaranty dated \_\_\_\_\_, 20\_\_\_\_, is made by \_\_\_\_\_, a  
\_\_\_\_\_ (“Guarantor”), in favor of **ANR Pipeline Company**, a Delaware  
Corporation (“Creditor”).

WITNESSETH:

WHEREAS, Creditor and \_\_\_\_\_, a \_\_\_\_\_ (“Debtor”),  
have entered into, or may hereafter enter into in the future, certain contracts, agreements or  
arrangements, including, but in no way limited to, contracts, agreements or arrangements  
involving the transportation, gathering, processing, treating, parking, lending, sale, purchase,  
pooling, exchange, aggregating, balancing or storage of natural gas or natural gas liquids or for  
products or services similar or related thereto (such contracts, agreements and arrangements,  
whether now existing or hereafter entered into between Debtor and Creditor, are individually  
referred to as an “Agreement” and collectively referred to as the “Agreements”); and

WHEREAS, to induce Creditor to extend or to continue to extend credit to Debtor,  
Guarantor has agreed to provide this Guaranty to Creditor;

NOW, THEREFORE, Guarantor agrees with Creditor as follows:

1. **Guaranty.** Guarantor unconditionally, absolutely and irrevocably guarantees to Creditor and its successors and assigns the full and prompt payment when due of all debts, obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, secured or unsecured, primary or secondary, at any time owing by Debtor to Creditor or remaining unpaid by Debtor to Creditor incurred under, or arising out of, the Agreements, including any amounts for interest, costs, expenses, penalties and damages, as further set forth herein (all such debts, obligations and liabilities are collectively referred to as the “Guaranteed Obligations”). Guarantor shall pay interest on any amounts due under this Guaranty as set forth in Section 17. Guarantor shall pay any and all out-of-pocket costs, including reasonable legal fees and expenses, and other expenses incurred by Creditor in enforcing Guarantor’s obligations under this Guaranty; provided that Guarantor shall not be liable for such expenses of Creditor if Creditor is not successful in such enforcement action. This is a guaranty of payment and not of collection. This Guaranty is in addition to, and does not limit, any other guaranty of Guarantor. Nothing herein shall be construed as an obligation on the part of Creditor to extend credit to Debtor or to continue to extend credit to Debtor.
2. **Liability as principal debtor.** Creditor may recover from Guarantor as a principal debtor any Guaranteed Obligations that Creditor may not recover from Guarantor as guarantor under Section 1, and Guarantor agrees to pay all such Guaranteed Obligations to Creditor as principal debtor. The provisions of this Guaranty shall apply generally with the necessary changes as to the points of detail to the liability of Guarantor as principal debtor hereunder.
3. **Guaranty absolute.** The liability of Guarantor is absolute and unconditional and shall remain in full force and effect without regard to, and shall not be released, suspended, discharged, impaired, terminated or otherwise affected by, any circumstance or occurrence whatsoever, including, without limitation:

- a) any action or inaction by Creditor as contemplated in Section 4;
  - b) any change in the structure or ownership of Debtor, Guarantor or Creditor or any other change in the relationship between Debtor and Guarantor;
  - c) any change in the financial condition of Debtor, Guarantor or Creditor;
  - d) the bankruptcy, winding-up, liquidation, dissolution, insolvency, reorganization or other similar proceeding affecting Debtor or its assets or any resulting release, stay or discharge of any Guaranteed Obligations;
  - e) any event or occurrence beyond the reasonable control of any party (other than any such event or occurrence that relieves Debtor of liability for the performance of any Guaranteed Obligation under any Agreement) or act of government in relation to, or directly or indirectly affecting, any Agreement, any Guaranteed Obligations, Debtor, Guarantor or Creditor; or
  - f) any other law, regulation or other circumstance that might otherwise constitute a defense available to, or a discharge of, Debtor or Guarantor in respect of any of the Guaranteed Obligations.
4. **No release.** The liability of Guarantor is not released, discharged, limited or in any way affected by anything Creditor does, suffers or permits in connection with any duties or liabilities of Debtor to Creditor or any security for those duties or liabilities, including without limitation any loss of or in respect of any security received by Creditor from Debtor or others. Creditor may, at any time and from time to time, without the consent of or notice to Guarantor, and without impairing, releasing, discharging, limiting or otherwise affecting in whole or in part the obligations of Guarantor hereunder:
- a) change the manner, place or terms of payment of, and/or exchange or extend the time of payment of, renew, amend or alter, any of the Guaranteed Obligations;
  - b) sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any assets securing the Guaranteed Obligations;
  - c) exercise or refrain from exercising any rights against Debtor or others or otherwise act or refrain from acting;
  - d) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof;
  - e) apply any sums, regardless of how realized, to any liability owing by Debtor to Creditor under or pursuant to the Agreements;
  - f) consent to or waive any breach of, or any act, omission or default under any Agreement or otherwise amend, modify or supplement any Agreement;
  - g) act or fail to act in any manner referred to in this Guaranty which may deprive Guarantor of any right against Debtor of the type described in Section 12 to recover any payments made pursuant to this Guaranty; and
  - h) release Debtor or any other party liable in any manner for payment of any or all of the Guaranteed Obligations.

5. **No exhaustion of remedies.** Creditor is not bound or obliged to exhaust its recourse against Debtor or any other persons or any security or collateral it may hold or take any other action before being entitled to demand payment from Guarantor.
6. **No set-off or counterclaim.** Payments under this Guaranty shall be made without set-off or counterclaim whatsoever and free of any deductions or withholdings.
7. **Continuing guaranty.** This Guaranty is a continuing guaranty and is binding as a continuing obligation of Guarantor. This Guaranty shall apply to any ultimate balance due or remaining due to Creditor, and Guarantor shall continue to be bound, despite the payment from time to time during the term of this Guaranty of the whole or any part of the Guaranteed Obligations owed by Debtor to Creditor. This Guaranty shall continue to be effective or shall be reinstated, as the case may be, if at any time payment of any of the Guaranteed Obligations is rendered unenforceable or is rescinded or must otherwise be returned by Creditor upon the occurrence of any action or event, including, without limitation, the bankruptcy, reorganization, winding-up, liquidation, dissolution or insolvency of Debtor or Guarantor, all as though such payment had not been made.
8. **Representations and warranties.** Guarantor represents and warrants to Creditor that:
  - a) Guarantor (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization or formation and (ii) has the power and authority to own its property and assets, to transact the business in which it is engaged and to enter into and perform its obligations under this Guaranty;
  - b) the execution, delivery, observance and performance of this Guaranty by Guarantor do not and will not conflict with or result in a breach of the articles, certificate, by-laws, or other organizational or formation documents of Guarantor, or of the terms or provisions of any judgment, law, decree, order, statute, rule, regulation or agreement, indenture or instrument to which Guarantor is a party or by which Guarantor or its assets are bound or to which Guarantor or its assets are subject, or constitute a default under any of them;
  - c) this Guaranty has been duly authorized, executed and delivered by Guarantor;
  - d) this Guaranty constitutes a legal, valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms; and
  - e) this Guaranty reasonably may be expected to benefit Guarantor, either directly or indirectly.
9. **Demand for payment.** Guarantor shall pay, within five (5) business days (as determined in the location where payment is to be made) after demand by Creditor and in immediately available funds, all Guaranteed Obligations due under the Agreements. Guarantor shall make all such payments in accordance with the instructions set forth in such demand. There are no other requirements of notice, presentment or demand that are required to be made under this Guaranty.
10. **Stay of acceleration.** If acceleration of the time for payment of any amount payable by Debtor in respect of the Guaranteed Obligations is stayed on the insolvency, bankruptcy, arrangement or reorganization of Debtor or on any moratorium affecting the payment of the Guaranteed Obligations, Guarantor shall nonetheless pay immediately on demand all amounts that would otherwise be subject to acceleration.

11. **Termination.** This Guaranty is a continuing guaranty effective from and after the date hereof; however, Guarantor may terminate its liability under this Guaranty with respect to Guaranteed Obligations incurred under or arising from any Agreement entered into on or after the Effective Date (as defined below) by providing written notice of such termination to Creditor in accordance with Section 24. Guarantor's notice of termination will become effective on the thirtieth (30<sup>th</sup>) day (the "Effective Date") after receipt of the notice by Creditor. From and after the Effective Date, Guarantor will not be liable pursuant to this Guaranty for any debts, obligations or liabilities incurred under or arising out of any Agreement entered into by Debtor on or after the Effective Date; **PROVIDED, HOWEVER, Guarantor will continue to remain liable for any and all Guaranteed Obligations under Agreements entered into by Debtor prior to the Effective Date, whether such Guaranteed Obligations arose prior to, on or after the Effective Date.** In addition, the termination of this Guaranty shall not affect Guarantor's liability for interest accruing as set forth in Section 17 on all Guaranteed Obligations for which Guarantor remains liable and shall not affect Guarantor's liability for legal fees, costs and other expenses incurred by Creditor in collecting such Guaranteed Obligations.
12. **Subordination and subrogation.** If and to the extent that Guarantor makes any payment to Creditor pursuant to this Guaranty, any claim which Guarantor may have against Debtor by reason thereof shall be subject and subordinate to the prior payment in full of all of the Guaranteed Obligations. Guarantor agrees that it will not exercise any rights that it may now or hereafter acquire against Debtor that arise from the existence, payment, performance or enforcement of the Guaranteed Obligations under this Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or proceeding, or remedy of any other party against Debtor, unless and until all of the Guaranteed Obligations and all other amounts payable under this Guaranty shall have been irrevocably paid, satisfied or discharged in full.
13. **Waivers.** Guarantor waives diligence, presentment, protest, notice of acceptance of this Guaranty and notice of any liability to which it may apply, notice of dishonor or nonpayment, and any other notice not expressly required by this Guaranty.
14. **No merger.** Neither an action or proceeding brought under this Guaranty regarding the Guaranteed Obligations nor any judgment or recovery in consequence of that action or proceeding operates as a bar or defense to any further action or proceeding that may be brought under this Guaranty. Any action, proceeding, judgment or recovery does not constitute a merger of any of Creditor's rights or remedies under this Guaranty. Any judgment obtained by Creditor in whole or in part of any of the Guaranteed Obligations under this Guaranty does not constitute a merger of this Guaranty into that judgment.
15. **Foreign currency obligations.** Guarantor shall make payment under this Guaranty in the legal currency of the United States of America ("US Currency"). If Guarantor makes payment in a currency other than US Currency (whether voluntarily or under an order or judgment of a court or tribunal of any jurisdiction), the payment constitutes a discharge of Guarantor's liability only to the extent of the amount of US Currency that Creditor is able to purchase with the amount of the currency it receives on the date of receipt utilizing Creditor's customary foreign exchange practices as in effect on such date. Guarantor agrees to indemnify and hold harmless Creditor from and against any loss arising out of any currency-related deficiency in payment. This indemnity constitutes a separate and independent obligation giving rise to a separate cause of action. A certificate of an officer of Creditor certifying any deficiency or loss is, in the absence of manifest error, prima facie evidence of that deficiency or loss.

16. **Benefit to Guarantor.** Subject to the terms of Section 25, this Guaranty shall be binding upon Guarantor and its successors and permitted assigns and shall inure to the benefit of and be enforceable by Creditor and its successors and assigns and shall apply to Debtor and its successors and assigns.
17. **Interest.** Guarantor shall pay to Creditor interest on the unpaid portion of the Guaranteed Obligations according to the terms of the Agreements. If payment of interest is not provided for in any Agreement, then Guarantor shall pay to Creditor interest on the unpaid portion of the Guaranteed Obligations under such Agreement at an annual rate equal to the lesser of (i) two percent (2%) above the prime rate of interest from time to time published under "Money Rates" in The Wall Street Journal (or if at the time of determination thereof, such rate is not being published in The Wall Street Journal, such comparable rate from a federally insured bank in New York, New York as Creditor may reasonably determine), or (ii) the maximum rate of interest permitted by applicable law, the rate in either case to be calculated daily from and including the due date until payment is made in full.
18. **Entire agreement.** This Guaranty represents the entire rights and obligations of the parties pertaining to the subject matter hereof and supersedes all prior oral or written agreements and understandings pertaining hereto.
19. **No waiver, remedies.** No failure or delay on the part of Creditor in exercising any right, power or privilege under this Guaranty and no course of dealing between Guarantor or Creditor shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Guaranty preclude any other or further exercise thereof or any other right, power or privilege. The rights, powers or remedies in this Guaranty are cumulative and not exclusive of any rights, powers or remedies which Creditor would otherwise have.
20. **Additional information.** Guarantor covenants and agrees that, so long as any part of the Guaranteed Obligations shall remain unpaid or any of the Agreements remain in effect, Guarantor will furnish to Creditor information regarding the financial condition of Guarantor as Creditor may from time to time reasonably request.
21. **Further assurances.** Guarantor agrees to promptly execute and deliver to Creditor, whenever and as often as reasonably requested to do so by Creditor, any further instruments of further assurances and consents as Creditor may deem necessary to confirm the continuing nature and extent of this Guaranty.
22. **Amendments.** No amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed (i) in the case of an amendment, by Guarantor and Creditor, and (ii) in the case of a waiver or consent, by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.
23. **Severability.** If any provision of this Guaranty is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will apply only to that provision and all other provisions of this Guaranty will continue in full force and effect as if such invalid or unenforceable provision were omitted. If this Guaranty is determined to be invalid or unenforceable for any reason, such invalidity or unenforceability will not apply to any of the representations and warranties provided in Section 8, which is deemed to be a separate and independent legal, valid, binding and enforceable agreement between Guarantor and Creditor and will continue in full force.

Creditor is entitled to proceed with any remedy available to it as a result of Guarantor's breach of any of the representations and warranties provided in Section 8.

24. Notices. All notices and other communications hereunder (1) shall be in writing and shall be addressed to the parties at their respective addresses set forth below or at such other address for a party as shall be designated in a written notice by such party to the other party and (2) will be deemed to have been received when delivered personally or by overnight courier, or when received if sent by mail, registered or certified, postage prepaid and return receipt requested:

**If to Guarantor, to:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

**If to Creditor, to:**

**ANR Pipeline Company**  
c/o TransCanada Corporation  
450 – 1<sup>st</sup> Street SW  
Calgary, Alberta  
Canada T2P 5H1

Attention: Director, Counterparty Risk

25. Assignment. Guarantor may not assign its obligations under this Guaranty in part or in whole without the prior written consent of Creditor, and any purported assignment or delegation without such consent shall be null, void and of no effect. Creditor may assign all or any of its rights under this Guaranty without the consent of Debtor or Guarantor.
26. Governing law. This Guaranty is governed by and to be construed according to the laws of the state of New York without giving effect to any choice or conflict of law rules or provisions that would require the application of the laws of another jurisdiction. Guarantor irrevocably consents to the nonexclusive jurisdiction of the courts of the State of Texas and the United States District Court, in each case, located in Houston, Texas, for the purposes of any action or proceeding arising out of or related to this Guaranty. Guarantor agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably waives, to the fullest extent permitted by law, any claim of inconvenient forum or other objection which it may now or hereafter have to the laying of venue in any such court. Guarantor also irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to Guarantor at the address specified by it pursuant to this Guaranty. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Section shall affect Creditor's right to serve legal process in any other manner permitted by law or its right to bring any action or proceeding against Guarantor or its property in the courts of other jurisdictions.
27. Headings and section references. The headings contained in this Guaranty are for reference purposes only and shall not affect the meaning or interpretation of this

Guaranty. Unless the context indicates otherwise, all references in this Guaranty to sections shall refer to the corresponding section of this Guaranty.

28. **Facsimile signature, counterparts.** A signature delivered by facsimile by any reliable electronic transmission shall be deemed to be an original signature for purposes of the Guaranty and shall be binding upon Guarantor as an original signature. Notwithstanding that Guarantor may deliver a signature by facsimile, Guarantor covenants to deliver an originally executed counterpart of this Guaranty to Creditor within a reasonable period of time after executing the Guaranty. This Guaranty may be executed in counterparts, each of which shall be deemed an original but which together will constitute one and the same instrument.

IN WITNESS WHEREOF, Guarantor has signed and delivered this Guaranty to be effective as of the date first-above written.

**[Insert Guarantor Name]**

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)



**EXHIBIT C**

**IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.]**

**[INSERT DATE]**

**FROM:**

**[INSERT NAME OF BANK]**  
**[INSERT BANK'S ADDRESS]**

**TO:**

**ANR PIPELINE COMPANY**  
**C/O TRANSCANADA CORPORATION**  
**450 - 1ST STREET SW**  
**CALGARY, ALBERTA**  
**T2P 5H1**

**ATTENTION: DIRECTOR, COUNTERPARTY RISK**  
**FACSIMILE: (403) 920-2359**  
**ELECTRONIC MAIL: COUNTERPARTY\_RISK@TRANSCANADA.COM**

**(THE "BENEFICIARY'S ADDRESS")**

**APPLICANT:**

**[INSERT NAME OF APPLICANT]**  
**[INSERT APPLICANT'S ADDRESS]**

**[INSERT NAME OF BANK] (THE "BANK"), HEREBY ISSUES THIS IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.] (THE "LETTER OF CREDIT") IN THE AGGREGATE AMOUNT NOT EXCEEDING US\$ [INSERT AMOUNT], IN SUPPORT OF THE OBLIGATIONS OF [INSERT NAME OF COUNTERPARTY] (THE "COUNTERPARTY") TO ANR PIPELINE COMPANY (THE "BENEFICIARY").**

**THE "EXPIRATION DATE" SHALL BE [INSERT DATE OF EXPIRATION DATE], PROVIDED THAT THE EXPIRATION DATE IN EFFECT AT ANY TIME SHALL AUTOMATICALLY EXTEND FOR ONE (1) YEAR THEREAFTER, EFFECTIVE IMMEDIATELY PRIOR TO SUCH EXPIRATION DATE THEN IN EFFECT, UNLESS AT LEAST NINETY (90) CALENDAR DAYS PRIOR TO ANY SUCH EXPIRATION DATE THEN IN EFFECT, THE BANK NOTIFIES THE BENEFICIARY IN WRITING BY REGISTERED MAIL, OR BY OVERNIGHT**

COURIER DELIVERY, TO THE BENEFICIARY'S ADDRESS THAT SUCH EXPIRATION DATE THEN IN EFFECT SHALL NOT BE EXTENDED. IN THE EVENT SUCH NOTICE IS PROVIDED BY THE BANK, AND THE BENEFICIARY IS NOT IN RECEIPT OF A REPLACEMENT LETTER OF CREDIT WHICH IS ACCEPTABLE TO IT AT LEAST THIRTY (30) CALENDAR DAYS PRIOR TO THE THEN CURRENT EXPIRATION DATE, THE BENEFICIARY MAY DRAW UPON THIS LETTER OF CREDIT AS OUTLINED BELOW.

FUNDS UNDER THIS LETTER OF CREDIT ARE AVAILABLE TO THE BENEFICIARY ON OR BEFORE THE EXPIRATION DATE ON PRESENTATION BY THE BENEFICIARY OF A REQUEST IN SUBSTANTIALLY THE FORM ATTACHED HERETO AS EXHIBIT "1" (THE "DRAWDOWN DOCUMENT"), DURING BUSINESS HOURS ON ANY DAY ON WHICH THE BANK IS OPEN FOR BUSINESS IN [INSERT CITY AND STATE IN WHICH DRAWING MUST TAKE PLACE] AT [INSERT BANK'S ADDRESS, INCLUDING MAIL ADDRESS, COURIER ADDRESS AND FACSIMILE NUMBER] (THE "BANK'S ADDRESS").

THE BANK HEREBY UNDERTAKES TO HONOUR THE DRAWDOWN DOCUMENT, IF IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT AT THE BANK'S ADDRESS, WITHOUT INQUIRING WHETHER THE BENEFICIARY HAS A RIGHT, AS BETWEEN THE BENEFICIARY AND THE COUNTERPARTY, TO MAKE SUCH REQUEST AND WITHOUT RECOGNIZING ANY CLAIMS OF THE COUNTERPARTY. PRESENTATION OF THE DRAWDOWN DOCUMENT VIA FACSIMILE, ELECTRONIC MAIL, REGISTERED MAIL, COURIER OR IN PERSON SHALL BE PERMITTED HEREUNDER. PRESENTATION OF THE DRAWDOWN DOCUMENT SHALL BE HONORED WITHIN TWO (2) BUSINESS DAYS AFTER RECEIPT OF THE DRAWDOWN DOCUMENT. PAYMENT WILL BE EFFECTED BY WIRE TRANSFER IN IMMEDIATELY AVAILABLE FUNDS TO SUCH ACCOUNT AS BENEFICIARY MAY DESIGNATE TO US IN SUCH DRAWDOWN DOCUMENT.

ANY NUMBER OF PARTIAL DRAWINGS AND MULTIPLE PRESENTATIONS ARE PERMITTED UNDER THIS LETTER OF CREDIT.

THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE INTERNATIONAL CHAMBER OF COMMERCE'S INTERNATIONAL STANDBY PRACTICES ("ISP 98") EXCEPT TO THE EXTENT THAT THE TERMS HEREOF ARE INCONSISTENT WITH THE PROVISIONS OF THE ISP 98, IN WHICH CASE THE TERMS OF THIS LETTER OF CREDIT SHALL GOVERN.

THIS LETTER OF CREDIT IS GOVERNED BY AND TO BE CONSTRUED ACCORDING TO THE LAWS OF STATE OF NEW YORK AND APPLICABLE U.S. FEDERAL LAW, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW RULES OR PROVISIONS THEREOF WHICH MAY DIRECT THE APPLICATION OF THE LAWS OR RULES OF ANOTHER JURISDICTION, AS TO MATTERS WHICH ARE NOT GOVERNED BY THE ISP 98. THE PARTIES

HEREBY IRREVOCABLY AGREE TO ATTORN TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF STATE OF NEW YORK.

A FACSIMILE, ELECTRONIC MAIL OR ELECTRONIC TRANSMISSION OF THIS LETTER OF CREDIT SHALL SERVE AS AN OPERATIVE INSTRUMENT UNTIL RECEIPT BY THE BENEFICIARY OF THE ORIGINAL LETTER OF CREDIT.

NOTICES CONCERNING THIS LETTER OF CREDIT MAY BE SENT TO A PARTY BY COURIER, CERTIFIED MAIL, REGISTERED MAIL, FACSIMILE, ELECTRONIC TRANSMISSION, ELECTRONIC MAIL OR SIMILAR COMMUNICATIONS FACILITY, TO ITS RESPECTIVE ADDRESS SET FORTH HEREIN AND IS DEEMED TO HAVE BEEN RECEIVED BY THE PARTY TO WHOM IT IS SENT AT THE TIME OF ITS DELIVERY IF PERSONALLY DELIVERED, OR ON THE BUSINESS DAY FOLLOWING ITS RECEIPT IF MAILED BY COURIER, CERTIFIED MAIL OR REGISTERED MAIL, OR ON THE BUSINESS DAY FOLLOWING ITS SUCCESSFUL TRANSMITTAL IF SENT BY FACSIMILE, ELECTRONIC TRANSMISSION OR ELECTRONIC MAIL.

THE BENEFICIARY MAY MAKE INQUIRIES REGARDING THIS LETTER OF CREDIT BY WAY OF WRITING ADDRESSED TO THE BANK'S ADDRESS, OR BY TELEPHONE AT [INSERT BANK'S TELEPHONE NO.], OR BY ELECTRONIC MAIL AT [INSERT BANK'S E-MAIL ADDRESS].

**[INSERT NAME OF BANK]**

PER: \_\_\_\_\_

NAME:

TITLE:

**EXHIBIT “1”**

**REFERENCE IS MADE TO THE IRREVOCABLE STANDBY LETTER OF CREDIT NO. [INSERT NO.] (THE “LETTER OF CREDIT”) OF [INSERT NAME OF BANK] (THE “BANK”) DATED [INSERT ORIGINAL DATE OF LETTER OF CREDIT] AS IT MAY BE AMENDED, IN SUPPORT OF THE OBLIGATIONS OF [INSERT NAME OF COUNTERPARTY] (THE “COUNTERPARTY”) TO ANR PIPELINE COMPANY (THE “BENEFICIARY”). THE BENEFICIARY HEREBY CERTIFIES TO THE BANK THAT BECAUSE THE COUNTERPARTY HAS FAILED TO PAY THE BENEFICIARY OR PERFORM ITS OBLIGATIONS IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THE AGREEMENTS BETWEEN THE BENEFICIARY AND THE COUNTERPARTY, OR THAT THE COUNTERPARTY HAS NOT PROVIDED A REPLACEMENT LETTER OF CREDIT, OR ALTERNATIVE SECURITY, ACCEPTABLE TO THE BENEFICIARY AT LEAST THIRTY (30) CALENDAR DAYS PRIOR TO THE EXPIRATION DATE (AS DEFINED IN THE LETTER OF CREDIT), THE BENEFICIARY IS DRAWING UPON THE LETTER OF CREDIT IN AN AMOUNT EQUAL TO US\$ [INSERT AMOUNT OF DRAWING].**

**BENEFICIARY DIRECTS THE PAYMENT OF SUCH AMOUNT TO BE MADE BY TRANSFERRING TO BENEFICIARY’S ACCOUNT NO. [INSERT ACCOUNT NUMBER] [INSERT BENEFICIARY’S WIRING INSTRUCTIONS], IN IMMEDIATELY AVAILABLE FUNDS FOR THE AMOUNT SPECIFIED ABOVE.**

DATED AS OF THE \_\_\_\_\_ DAY OF \_\_\_\_\_.

**ANR PIPELINE COMPANY**

PER: \_\_\_\_\_  
NAME:  
TITLE: