

# ENTERPRISE CRUDE OIL LLC

## GENERAL PROVISIONS ATTACHED TO AND MADE PART OF CRUDE OIL AGREEMENTS/TRANSACTION CONFIRMATIONS Revised December 1, 2024

A. Measurement and Tests for Crude Oil: All measurements for Crude Oil hereunder shall be performed by the entity measuring the Crude Oil at the Delivery Point(s) in accordance with such entity's applicable measurement procedures. In the case of Enterprise, such procedures are set forth at: [https://portal.enterpriseproducts.com/measurement\\_contracts.html](https://portal.enterpriseproducts.com/measurement_contracts.html), which may be amended or supplemented from time to time.

B. Warranty: The Seller warrants good title to all Crude Oil and Condensate delivered hereunder and warrants that such Crude Oil and Condensate shall be free from all royalties, liens, encumbrances and all applicable foreign, federal, state and local taxes. Seller further warrants that the Crude Oil and Condensate delivered shall not be contaminated by chemicals foreign to virgin crude oil or condensate, including, but not limited to chlorinated and/or oxygenated hydrocarbons and lead, and that the Crude Oil and Condensate meets the quality specifications set forth in the applicable tariff or rules and regulations of Buyer's carrier. Buyer shall have the right, without prejudice to any other remedy available to Buyer, to reject and return to Seller any quantities of Crude Oil and Condensate which are found to be so contaminated or off-specification, even after delivery to Buyer.

C. Rules and Regulations: The terms, provisions and activities undertaken pursuant to the Original Agreement shall be subject to all applicable laws, orders and regulations of all governmental authorities. If at any time a provision hereof violates any such applicable laws, orders or regulations, such provision shall be voided and the remainder of the Original Agreement shall continue in full force and effect unless terminated by either party upon giving written notice to the other party hereto. If applicable, the parties hereto agree to comply with all provisions (as amended) of the Equal Opportunity Clause prescribed in 41 C.F.R. 60-1.4; the Affirmative Action Clause for disabled veterans and veterans of the Vietnam Era prescribed in 41 C.F.R. 60-250.4; the Affirmative Action Clause for Handicapped Workers prescribed in 41 C.F.R. 60-741.4; 48 C.F.R. Chapter I Subpart 19.7 regarding Small Business and Small Disadvantaged Business Concerns; Executive Order 12138 and regulations thereunder regarding subcontracts to women-owned business concerns; Affirmative Action Compliance Program (41 C.F.R. 60-1.40); annually file SF-100 Employer Information Report (41 C.F.R. 60-1.7); 41 C.F.R. 60-1.8 prohibiting segregated facilities; and the Fair Labor Standards Act of 1938 as amended, all of which are incorporated in the Original Agreement by reference.

D. Hazard Communication: Seller shall provide its Material Safety Data Sheet ("MSDS") to Buyer. Buyer acknowledges the hazards and risks in handling and using Crude Oil and Condensate. Buyer shall read the MSDS and advise its employees, its affiliates, and third parties, who may purchase or come into contact with such Crude Oil and Condensate, about the hazards, as well as the precautionary procedures for handling same, which are set forth in such MSDS and any supplementary MSDS or written warning(s) which Seller may provide to Buyer from time to time.

E. Force Majeure: Except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, governmental laws, regulations, or requests, acts in furtherance of the International Energy Program, disruption or breakdown of downstream transportation facilities, delays of downstream pipeline carrier in receiving and delivering Crude Oil or Condensate tendered, any disruption in the market for Crude Oil or Condensate of a quality the same as or similar to the quality of the Crude Oil or Condensate, as applicable, that is the subject of the Original Agreement or by any other cause, whether similar or not, beyond the control of such party ("Force Majeure"). Any such failures to perform shall be remedied with due diligence, but neither party shall be required to supply substitute quantities from other sources of supply. Failure to perform due to events of Force Majeure shall not extend the terms of the Original Agreement.

Notwithstanding the above, and in the event that the Original Agreement is an associated purchase/sale or exchange of Crude Oil or Condensate, the parties shall have the rights and obligations described below in the circumstances described below:

(1) If, because of Force Majeure, the party declaring Force Majeure (the "Declaring Party") is unable to deliver part or all of the quantity of Crude Oil or Condensate which the Declaring Party is obligated to deliver under the Original Agreement or associated contract, the other party (the "Exchange Partner") shall have the right but not the obligation to reduce its deliveries of Crude Oil or Condensate, as applicable, under the same Original Agreement or associated contract by an amount not to exceed the number of barrels which the Declaring Party fails to deliver.

(2) If, because of Force Majeure, the Declaring Party is unable to take delivery of part or all of the quantity of Crude Oil or Condensate to be delivered by the Exchange Partner under the Original Agreement or associated contract, the Exchange Partner shall have the right but not the obligation to reduce its receipts of Crude Oil or Condensate, as applicable, under the same Original Agreement or associated contract by an amount not to exceed the number of barrels which the Declaring Party fails to take delivery.

F. Payment: Unless otherwise specified between the parties, Buyer agrees to make payment against Seller's Invoice for the

Crude Oil and Condensate purchased hereunder to a bank designated by Seller in U.S. dollars by wire transfer in immediately available funds. Unless otherwise specified in the Special Provisions of the Original Agreement, payment will be due on or before the 20th of the month following the month of delivery. If payment due date is on a Saturday or New York bank holiday other than Monday, payment shall be due on the preceding New York banking day. If payment due date is on a Sunday or a Monday New York bank holiday, payment shall be due on the succeeding New York banking day.

Payment shall be deemed to be made on the date good funds are credited to Seller's account at Seller's designated bank.

In the event that Buyer fails to make any payment when due, Seller shall have the right to charge interest on the amount of the overdue payment at a per annum rate which shall be two percentage points higher than the published prime lending rate of JPMorgan Chase Bank, National Association on the date payment was due, but not to exceed the maximum rate permitted by law.

**G. Financial Responsibility:**

(1) Notwithstanding anything to the contrary in the Original Agreement, should Seller reasonably believe it necessary to assure payment, Seller may at any time require, by written notice to Buyer, advance cash payment or satisfactory security in the form of a Letter or Letters of Credit at Buyer's expense in a form and from a bank acceptable to Seller to cover any or all of Buyer's payment obligations under the Original Agreement. If Buyer does not provide the Letter of Credit on or before the date specified in Seller's notice under this section, Seller or Buyer may terminate the Original Agreement forthwith. However, if a Letter of Credit is required under the Special Provisions of the Original Agreement and Buyer does not provide same, then only Seller may terminate the Original Agreement forthwith. In no event shall Seller be obligated to schedule or complete deliveries until said Letter of Credit is found acceptable to Seller. Each party may offset any payments or deliveries due to the other party under the Original Agreement or any other Transaction Confirmation between these parties for the same product.

(2) If either party or its guarantor shall make an assignment for the benefit of creditors, file a petition or otherwise commence, authorize or acquiesce in the commencement of a bankruptcy or similar proceeding or have such proceeding filed or commenced against it, otherwise become bankrupt or insolvent or be unable to pay its debts as they fall due or have a receiver, trustee or similar official appointed with respect to it or substantially all of its assets ("Defaulting Party"), the other party ("Non-defaulting Party") shall have the right, at its sole election and without notice, to suspend deliveries or payments, net or aggregate all amounts owing between the parties under the Original Agreement to a single liquidated amount, and/or terminate the Original Agreement or any portion hereof; and Non-defaulting Party and/or its guarantor shall have the right, at its sole election and without notice, to offset all or any portion of the unpaid balance under the Original Agreement owed by or to Non-defaulting Party against (i) any margin or collateral held by or posted by Non-defaulting Party and/or its guarantor under the Original Agreement or otherwise, (ii) any amounts owed between the parties and/or their guarantors, in any combination as applicable, under any other agreement or arrangement, and/or (iii) any losses or costs incurred by Non-defaulting Party and/or its guarantor in connection with such default, all in addition to any and all other remedies available hereunder and at law and in equity. The parties agree the transaction(s) hereunder constitute a "forward contract" within the meaning of the United States Bankruptcy Code and that each party is a "forward contract merchant" within the meaning of the United States Bankruptcy Code.

**H. Liquidation:**

(1) Right to Liquidate. At any time after the occurrence of one or more of the events described in paragraph (2) of Section G, Financial Responsibility, the other party to the Original Agreement (the "Liquidating Party") shall have the right, at its sole discretion, to liquidate the Original Agreement by terminating the Original Agreement. Upon termination, the parties shall have no further rights or obligations with respect to the Original Agreement, except for the payment of the amount(s) (the "Settlement Amount" or "Settlement Amounts") determined as provided in Paragraph (3) of this section.

(2) Multiple Deliveries. If the Original Agreement provides for multiple deliveries of one or more types of Crude Oil or Condensate, as applicable, in the same or different delivery months, or for the purchase or exchange of Crude Oil or Condensate, as applicable, by the parties, all deliveries under the Original Agreement to the same party at the same delivery location during a particular delivery month shall be considered a single commodity transaction ("Commodity Transaction") for the purpose of determining the Settlement Amount(s). If the Liquidating Party elects to liquidate the Original Agreement, the Liquidating Party must terminate all Commodity Transactions under the Original Agreement.

(3) Settlement Amount. With respect to each terminated Commodity Transaction, the Settlement Amount shall be equal to the contract quantity, multiplied by the difference between the contract price per barrel specified in the Original Agreement (the "Contract Price") and the market price per barrel on the date the Liquidating Party terminates the Original Agreement (the "Market Price"). If the Market Price exceeds the Contract Price in a Commodity Transaction, the selling party shall pay the Settlement Amount to the buying party. If the Market Price is less than the Contract Price in a Commodity Transaction, the buying party shall pay the Settlement Amount to the selling party. If the Market Price is equal to the Contract Price in a Commodity Transaction, no Settlement Amount shall be due.

(4) Termination Date. For the purpose of determining the Settlement Amount, the date on which the Liquidating Party terminates the Original Agreement shall be deemed to be (a) the date on which the Liquidating Party sends written notice of termination to the Defaulting Party, if such notice of termination is sent by electronic mail or facsimile transaction; or (b) the date on which the Defaulting Party receives written notice of termination from the Liquidating Party, if such notice of termination is given by United States mail or a private mail delivery service.

(5) Market Price. Unless otherwise provided in the Original Agreement, the Market Price sold or exchanged under the Original Agreement shall be the price for the delivery month specified in the Original Agreement and at the delivery location that corresponds to the delivery location specified in the Original Agreement, as reported in the applicable index or publication referenced in the Confirmation. If any such index or publication does not report prices for the Crude Oil or Condensate being sold

under the Original Agreement, the Liquidated Party shall determine the Market Price in a manner consistent with then-prevailing industry standards, unless otherwise provided in the Original Agreement.

(6) Payment of Settlement Amount. Any Settlement Amount due upon termination of the Original Agreement shall be paid in immediately available funds within two business days after the Liquidating Party terminates the Original Agreement. However, if the Original Agreement provides for more than one Commodity Transaction, or if Settlement Amounts are due under other agreements terminated by the Liquidating Party, the Settlement Amounts due to each party for such Commodity Transactions and/or agreements shall be aggregated. The party owing the net amount after such aggregation shall pay such net amount to the other party in immediately available funds within two business days after the date on which the Liquidating Party terminates the Original Agreement.

(7) Miscellaneous. This section shall not limit the rights and remedies available to the Liquidating Party by law or under other provisions of the Original Agreement.

I. Equal Daily Deliveries: Unless otherwise specified between the parties, for pricing purposes only, unless otherwise specified, all Crude Oil and Condensate delivered hereunder during any calendar month shall be considered to have been delivered in equal daily quantities during such month.

J. Exchange Balancing: If volumes are exchanged, each party shall be responsible for maintaining the exchange in balance on a month-to-month basis, as near as pipeline or other transportation conditions will permit. In all events, upon termination of the Original Agreement and after all monetary obligations under the Original Agreement have been satisfied, any volume imbalance existing at the conclusion of the Original Agreement of less than 1,000 barrels will be declared in balance. Any volume imbalance of 1,000 barrels or more, limited to the total contract volume, will be settled by the under-delivering party making delivery of the total volume imbalance in accordance with the delivery provisions of the Original Agreement applicable to the underdelivering party, unless mutually agreed to the contrary. The request to schedule all volume imbalances must be confirmed in writing by the other party. Volume imbalances confirmed by the 20th of the month shall be delivered during the calendar month after the volume imbalance is confirmed. Volume imbalances confirmed after the 20th of the month shall be delivered during the second calendar month after the volume imbalance is confirmed.

K. Delivery, Title, and Risk of Loss: Delivery, title, and risk of loss of the Crude Oil and Condensate delivered hereunder shall pass from Seller to Buyer as follows: For lease delivery locations, delivery to the Buyer shall occur as the Crude Oil or Condensate passes the last permanent delivery flange and/or meter connecting the Seller's lease/unit storage tanks or processing facilities to the Buyer's carrier. Title to and risk of loss of the Crude Oil and Condensate shall pass from Seller to Buyer at the point of delivery.

For delivery locations other than lease/unit delivery locations, delivery to the Buyer shall occur as the Crude Oil and Condensate passes the last permanent delivery flange and/or meter connecting the delivery facility designated by the Seller to the Buyer's carrier. If delivery is by in-line transfer, delivery to the Buyer shall occur at the particular pipeline facility designated in the Original Agreement. Title to and risk of loss of the Crude Oil and Condensate shall pass from the Seller to the Buyer upon delivery.

L. Term: Unless otherwise specified in the Special Provisions, delivery months begin at 7:00 am. on the first day of the calendar month and end at 7:00 a.m. on the first day of the following calendar month.

M. Applicable Law; Jurisdiction and Venue; Waiver of Jury Trial.

(a) **Applicable Law**. *This Agreement, the rights of the Parties hereunder, and the legal relations between the Parties under this Agreement will be governed by and construed in accordance with the laws of the State of Texas, excluding any conflicts of law rule or principle that might refer construction of such provisions to the laws of another jurisdiction.*

(b) **Jurisdiction and Venue**. *Exclusive venue for any legal proceeding, action or dispute arising out of or relating to this Agreement (each, an "Action") will be (i) the division of the Texas business court under Chapter 25A of the Texas Government Code (the "Business Court") in Harris County, Texas or that includes Harris County, Texas; and (ii) solely for those Actions where the Business Court does not have jurisdiction, a federal or state district court located in Harris County, Texas. To the maximum extent permitted by law, each Party hereby agrees that the Business Court shall have jurisdiction over Actions arising out of or related to this Agreement, the transaction(s) described herein and any transaction(s) hereunder. The Parties irrevocably and unconditionally submit to the jurisdiction of the foregoing courts, agree to the provisions in this Section, and waive any objection thereto, including on any venue or inconvenient forum grounds or on grounds that the transactions contemplated by this Agreement do not constitute a qualified transaction as defined in Chapter 25A of the Texas Government Code.*

(c) **Supplemental Jurisdiction – Texas Business Court**. *With respect to any Action that is brought in the Business Court, the Parties irrevocably agree that the Business Court should exercise supplemental jurisdiction over any other Action, controversy or claim (including any third-party claim) arising out of or related to the Action ("Supplemental Claim(s)"), and agree to seek the Business Court's consent to exercise supplemental jurisdiction over such Supplemental Claim(s). If the Business Court refuses to exercise supplemental jurisdiction over any such Supplemental Claim(s), and such Supplemental*

***Claim(s) are then filed in federal court or state district court pursuant to this Agreement, the Party who asserted any related claim(s) that remains pending in the Business Court has, in its sole discretion, 30 days to dismiss without prejudice such claim(s) in the Business Court and refile the Action in the federal or state district court in which the Supplemental Claim(s) are pending. Should a Party exercise its right to dismiss and refile as provided in the preceding sentence, the refiled Action will be treated as though it was originally filed on the same day the first-filed case was filed for purposes of statutes of limitation and statutes of repose.***

(d) **Waiver of Jury Trial.** Each Party waives, to the fullest extent permitted by Applicable Law, any right it may have to a trial by jury in respect of any Action brought under this Agreement.

N. Necessary Documents: Upon request, each party agrees to furnish all substantiating documents incident to the transaction, including a Delivery Ticket for each volume delivered and an Invoice for any month in which the sums are due.

O. Waiver: No waiver by either party regarding the performance of the other party under any of the provisions of the Original Agreement shall be construed as a waiver of any subsequent performance under the same or any other provisions.

P. Assignment: Neither party shall assign the Original Agreement or any rights hereunder without the written consent of the other party unless such assignment is made to a person controlling, controlled by or under common control of assignor, in which event assignor shall remain responsible for nonperformance.

Q. Entirety of Original Agreement: The Confirmation and these General Provisions contain the entire Original Agreement of the parties; there are no other promises, representations or warranties. Any modification of the Original Agreement shall be by written instrument. Any conflict between the Confirmation and these General Provisions shall be resolved in favor of the Confirmation. The section headings are for convenience only and shall not limit or change the subject matter of the Original Agreement.

R. No Consequential Damages: Each party waives and releases any claim or action against the other party for, and agrees to indemnify and hold harmless the other party from, any claim, demand, or cause of action against the other for punitive, exemplary, consequential, special and indirect damages including, but not limited to loss of revenue, loss of profit, loss of use of capital, business interruption, loss of use, loss resulting from failure to meet other contractual commitments or deadlines, howsoever caused and whether based on negligence, unseaworthiness, breach of warranty, breach of contract, strict liability or otherwise.

S. Audit: Notwithstanding Paragraph N or any other similar applicable provision of the General Provisions, each party and its duly authorized representatives shall have access to the accounting records and other documents maintained by the other party which relate to the Confirmation under this Original Agreement; provided, however, each party shall have the right to audit such records only once per year during reasonable business hours and only for the time period that is twenty-four (24) months after the rendition of any statement or Invoice. Neither party shall have the right to audit the books and records of the other party after such twenty-four (24) month period. Claims for adjustments to amounts invoiced or paid, without regard to whether they result from an audit pursuant to this Paragraph S or otherwise, must be made in writing to the other party no later than thirty (30) days from the end of such twenty-four (24) month period or they are otherwise waived and barred.

T. Taxes. Unless otherwise expressly agreed between the parties, Seller shall pay any and all Taxes levied on Crude Oil or Condensate, as applicable, and the transportation thereof up to the Delivery Point. Buyer shall pay any and all Taxes levied on the Crude Oil or condensate at and after the Delivery Point, if applicable. Notwithstanding the foregoing sentence, the parties agree that neither party shall be responsible for the other party's ad valorem, net income, gross receipts, excess profits, business license, occupation, margin based, corporate franchise and similar taxes required for the maintenance of business existence. To the extent Taxes of one party are paid directly by a party but are the responsibility of the other party in accordance with section, such Taxes shall be reimbursed by the other party in accordance with its obligations hereunder upon receipt of invoice and supporting documentation reasonably requested by the party that has paid for same.

U. Definitions: When used in the Original Agreement, the terms listed below have the following meanings:

"API" means the American Petroleum Institute.

"ASME" means the American Society of Mechanical Engineers.

"ASTM" means the American Society for Testing and Materials.

"Barrel" means 42 U.S. gallons of 231 cubic inches per gallon corrected to 60 degrees Fahrenheit.

"Condensate" means a petroleum product derived from a crude oil well that has been processed through a distillation tower at a stabilizer, splitter or other distillation facility. "Confirmation" means the written contract or confirmation reflecting the material terms of the parties for the purchase, sale and/or exchange transaction in which these General Provisions are incorporated.

"Crude Oil" means a mixture of hydrocarbons that exists in liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities.

"Day", "month", and "year" mean, respectively, calendar day, calendar month, and calendar year, unless otherwise specified between the parties.

"Delivery Ticket" means a shipping/loading document or documents stating the type and quality of crude oil delivered, the volume delivered and method of measurement, the corrected specific gravity, temperature, and S&W content.

"Invoice" means a statement setting forth at least the following information: The date(s) of delivery under the transaction; the location(s) of delivery; the volume(s); price(s); the specific gravity and gravity adjustments to the price(s) (where applicable); and the term(s) of payment.

"Original Agreement" means the Confirmation and these General Provisions.

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"S&W" means sediment and water.

"Taxes" shall mean any or all current or future taxes, fees, levies, charges, assessments and/or other impositions levied, charged, imposed, assessed or collected by any governmental authority having jurisdiction.