GENESIS PIPELINE TEXAS, L.P.

LOCAL TARIFF

CONTAINING

RULES AND REGULATIONS

GOVERNING

THE GATHERING

AND

TRANSPORTATION

OF

CRUDE PETROLEUM

BY

PIPE LINE

GENERAL APPLICATION

The rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof. Specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

ISSUED: May 1, 2015
EFFECTIVE: May 1, 2015

Issued By
Karen N. Pape, Vice President & Controller
Genesis Pipeline Texas, L.P.
One Allen Center
500 Dallas Street, Suite 2500
Houston, Texas 77002
(713) 860-2626
SECTION 1
RULES AND REGULATIONS OF RAILROAD COMMISSION OF TEXAS
RULE 71. PIPELINE TARIFFS.

1. ALL MARKETABLE OIL TO BE RECEIVED FOR TRANSPORTATION: By the term "marketable oil" is meant any crude petroleum adapted for refining or fuel purposes, properly settled and containing not more than two percent (2%) of basic sediment, water, or other impurities above a point six (6) inches below the pipeline connection with the tank. Pipelines shall receive for transportation all such "marketable oil" tendered; but no pipeline shall be required to receive for shipment from any one person an amount exceeding three thousand (3,000) barrels of petroleum in any one (1) day; and, if the oil tendered for transportation differs materially in character from that usually produced in the field and being transported therefrom by the pipeline, then it shall be transported under such terms as the Shipper and the owner of the pipeline may agree or the Commission may require. (See exception to this paragraph in Paragraph 21, Section II hereof.)

2. BASIC SEDIMENT, HOW DETERMINED - TEMPERATURE: In determining the amount of sediment, water or other impurities, a pipeline is authorized to make a test of the oil offered for transportation from an average sample from each such tank, by the use of centrifugal machine, or by the use of any other appliance agreed upon by the pipeline and the Shipper. The same method of ascertaining the amount of the sediment, water or other impurities shall be used in the delivery as in the receipt of oil. A pipeline shall not be required to receive for transportation, nor shall Consignee be required to accept as a delivery, any oil of a higher temperature than ninety degrees Fahrenheit (90 deg. F), except that during the summer oil shall be received at any atmospheric temperature, and may be delivered at like temperature. Consignee shall have the same right to test the oil upon delivery at destination that the pipeline has to test before receiving from the Shipper.

3. "BARREL" DEFINED: For the purpose of these sections, a "barrel" of crude petroleum is declared to be forty-two (42) gallons of 231 cubic inches per gallon at sixty degrees Fahrenheit (60 deg. F).

4. OIL INVOLVED IN LITIGATION, ETC. - INDEMNITY AGAINST LOSS: When any oil offered for transportation is involved in litigation, or the ownership is in dispute, or when the oil appears to be encumbered by lien or charge of any kind, the pipeline may require of Shippers an indemnity bond to protect it against all loss.

5. STORAGE: Each pipeline shall provide, without additional charge, sufficient storage, such as is incident and necessary to the transportation of oil, including storage at destination or so near thereto as to be available for prompt delivery to destination point, for five (5) days from the date of order of delivery at destination.

6. IDENTITY OF OIL, MAINTENANCE OF: A pipeline may deliver to Consignee, either the identical oil received for transportation, subject to such consequences of mixing with other oil as are incident to the usual pipeline transportation, or it may make delivery from its common stock at destination; provided, if this last be done, the delivery shall be of substantially like kind and market value.

7. MINIMUM QUANTITY TO BE RECEIVED: A pipeline shall not be required to receive less than one (1) tank carload of oil when oil is offered for loading into tank cars at destination of the pipeline. When oil is offered for transportation for other than tank car delivery, a pipeline shall not be required to receive less than five hundred (500) barrels.

8. GATHERING CHARGES: Tariffs to be filed by a pipeline shall specify separately the charges for gathering of the oil, for transportation, and for delivery. (See amendment to this paragraph in Paragraph No. 50, Section II hereof.)

9. MEASURING, TESTING AND DEDUCTIONS:

   (A) Except as provided in paragraph (B) of this section, all crude oil tendered to a pipeline shall be gauged and tested by a representative of the pipeline prior to its receipt by the pipeline. The Shipper may be present or represented at the gauging or testing. Quantities shall be computed from correctly compiled tank tables showing one hundred percent (100%) of the full capacity of the tanks.

   (B) As an alternative to the method of measurement provided in subparagraph (A) of this paragraph, crude oil and condensate may be measured and tested, before transfer of custody to the initial transporter, by:

      (i) Lease Automatic Custody Transfer (LACT) equipment, provided such equipment is installed and operated in accordance with the latest revision of American Petroleum Institute (API) Manual of Petroleum Measurement Standards, Chapter 6.1, or;

      (ii) any device or method approved by the Commission or its delegate, which yields accurate measurements of crude oil or condensate.
9. MEASURING, TESTING AND DEDUCTIONS: (Continued)

(C) Adjustments to the quantities determined by the methods described in subparagraphs (A) or (B) of this paragraph shall be [W] determined in accordance with applicable A.P.I Manual of Petroleum Measurement Standards. made for temperature from the nearest whole number degree to the basis of sixty (60) degrees Fahrenheit and to the nearest 0.10 API degree gravity in accordance with the volume correction. Tables 5A and 6A contained in A.P.I Standard 2540, American Society for Testing Materials 1250, Institute of Petroleum 200, first edition, August 1980. A pipeline may deduct the basic sediment, water, and other impurities as shown by the centrifugal or other test agreed upon by the Shipper and pipeline; and two tenths of one percent (0.2%) for evaporation and loss during transportation.* The net balance shall be the quantity deliverable by the pipeline. In allowing the deductions, it is not the intention of the Commission to affect any tax or royalty obligations imposed by the laws of Texas on any producer or shipper of crude oil.

(D) A transfer of custody of crude between transporters is subject to measurement as agreed upon by the transporters.

(See exceptions to this paragraph in Paragraph No. 45 and No. 55, Section II hereof.)

10. DELIVERY AND DEMURRAGE: Each pipeline shall transport oil with reasonable diligence, considering the quality of the oil, the distance of transportation, and other material elements, but at any time after receipt of a consignment of oil, upon twenty-four (24) hours notice to the Consignee, may offer oil for delivery from its common stock at the point of destination, conformable to Paragraph 6 of this Section, at a rate not exceeding ten thousand (10,000) barrels per day of twenty-four (24) hours. Computation of time of storage (as provided for in Paragraph 5 of this Section) shall begin at the expiration of such notice. At the expiration of the time allowed in Paragraph 5 of this Section for storage at destination, a pipeline may assess a demurrage charge on oil offered for delivery and remaining undelivered, at a rate for the first ten (10) days of one-tenth of one cent ($0.001) per barrel; and thereafter at a rate of three-fourths of one cent ($0.0075) per barrel, for each day of twenty-four (24) hours or fractional part thereof.

*11. PAYMENT OF TRANSPORTATION AND OTHER CHARGES: The Shipper or Consignee shall pay all applicable gathering, transportation, and all other lawful charges accruing on petroleum delivered to and accepted by Carrier for shipment, and, if required, shall prepay or guarantee the same before acceptance by the Carrier, or pay the same before delivery. Carrier shall have a lien on all petroleum in its possession belonging to Shipper or Consignee to secure the payment of any and all unpaid gathering, transportation, or any lawful charges that are due Carrier that are unpaid by Shipper or Consignee, and may withhold such petroleum from delivery until all unpaid charges have been paid.

If any charge remains unpaid after the due date of Carrier's invoice, then such amount due shall bear interest from the date of the invoice until paid, calculated at an annual rate equivalent to 12.5% of the prime rate of interest, as of the date of Carrier's invoice, charged by the Cibbark N. A. of New York, New York, for ninety (90) day loans made to substantial and responsible commercial borrowers or the maximum rate allowed by law, whichever is the lesser. If the invoice is not paid within thirty (30) days from the date of invoice, Carrier shall have the right, either directly or through an agent, at any time after such thirty (30) day period to sell any petroleum of such Shipper in its custody at public auction, on any day not a legal holiday, not less than 48 hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city, or general area where the sale is to be held, stating the time and place of sale and the quantity and location of the petroleum to be sold. At said sale Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. The proceeds of disposition shall be applied in the following order: (A) To the reasonable expenses of holding, preparing for sale, selling, and to the extent allowed by law, reasonable attorney's fees and legal expenses incurred by Carrier, and (B) To the satisfaction of the indebtedness secured hereby including interest herein provided from date of invoice to date of sale. The balance of the proceeds of the sale remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.

12. NOTICE OF CLAIMS: Notice of claims for loss, damage or delay in connection with the shipments of oil must be made in writing to the pipeline within ninety-one (91) days after the damage, loss, or delay occurred. If the claim is for failure to make delivery, the claim must be made within ninety-one (91) days after a reasonable time for delivery has elapsed.

13. TELEPHONE - TELEGRAPH LINE -- SHIPPER TO USE: If a pipeline maintains a private telegraph or telephone line, a Shipper may use it without extra charge, for messages incident to shipments. However, a pipeline shall not be held liable for failure to deliver any messages away from its office or for delay in transmission or for interruption of service.

14. CONTRACTS OF TRANSPORTATION: When a consignment of oil is accepted, the pipeline shall give the Shipper a run ticket, and shall give the Shipper a statement that shows the amount of oil received for transportation, the points of origin and destination, corrections made for temperature, deductions made for impurities, and the rate for such transportation.

15. SHIPPER'S TANKS, ETC. - INSPECTION: When a shipment of oil has been offered for transportation, the pipeline shall have the right to go upon the premises where the oil is produced or stored, and have access to any and all tanks or storage receptacles for the purpose of making any examination, inspection, or test authorized by this paragraph.

16. OFFERS IN EXCESS OF FACILITIES: If oil is offered to any pipeline for transportation in excess of the amount that can be immediately transported, the transportation furnished by the pipeline shall be apportioned among all Shippers in proportion to the amounts offered by each; but no offer for transportation shall be considered beyond the amount which the person requesting the shipment then has ready for shipment by the pipeline. The pipeline shall be considered as a Shipper of oil produced or purchased by itself and held for shipment through its line, and its oil shall be entitled to participate in such apportionment.

* This deviates from Paragraph 9, Section 1 of the Commission Rules and Regulations in that a deduction of more than one percent (1%) will be made for evaporation and loss during transportation.

* This deviates from Paragraph 11, Section 1 of the Commission Rules and Regulations.
17. INTERCHANGE OF TONNAGE: Pipelines shall provide the necessary connections and facilities for the exchange of tonnage at every locality reached by two or more pipelines, when the Commission finds that a necessity exists for connection, and under such regulations as said Commission may determine in each case.

18. RECEIPT AND DELIVERY - NECESSARY FACILITIES FOR: Each pipeline shall install and maintain facilities for the receipt and delivery of marketable crude petroleum of Shippers at any point on its line if the commission finds that a necessity exists therefor, and under regulations by the Commission.

19. REPORTS OF LOSS FROM FIRES, LIGHTNING AND LEAKAGE:

(A) Each pipeline shall immediately notify the commission district office, electronically or by [telegraph,] telephone, [or letter,] of each fire that occurs at any oil tank owned or controlled by the pipeline, or of any tank struck by lightning. Each pipeline shall in like manner report each break or leak in any of its tanks or pipelines from which more than five (5) barrels escapes. Each pipeline shall file the required information with the commission in accordance with the appropriate commission form within 30 days from the date of the spill or leak (report in writing to the commission, by the fifteenth (15th) day of each calendar month, the estimated amount of loss of oil by fire or leakage from its tanks and pipelines for the preceding month; but not including leakage or evaporation ordinarily incident to transportation).

(B) No risk of fire, storm, flood or act of God, and no risk resulting from riots, insurrection, rebellion, war, or act of the public enemy, or from quarantine or authority of law or any order, requisition or necessity of the government of the United States in time of war, shall be borne by a pipeline, nor shall any liability accrue to it from any damage thereby occasioned. If loss of any crude oil from any such causes occurs after the oil has been received for transportation, and before it has been delivered to the Consignee, the Shipper shall bear a loss in such proportion as the amount of his shipment is to all of the oil held in transportation by the pipeline at the time of such loss, and the Shipper shall be entitled to have delivered only such portion of his shipment as may remain after a deduction of his due proportion of such loss, but in such event the Shipper shall be required to pay charges only on the quantity of oil delivered. This rule shall not apply if the loss occurs because of negligence of the pipeline.

(C) Common carrier pipelines shall mail (return receipt requested) or hand deliver to landowners (persons who have legal title to the property) and residents (persons whose mailing address is the property in question) of land upon which a spill or leak has occurred, all spill or leak reports required by the Commission for that particular spill or leak within 30 days of filing the required reports with the Commission. Registration with the Commission by landowners and residents for the purpose of receiving spill or leak reports shall be required every five (5) years, with renewal registration starting January 1, 1999. If a landowner or resident is not registered with the Commission, the common carrier is not required to furnish such reports to the resident or landowner.

20. PRINTING AND POSTING: Each pipeline shall have paragraphs 1 through 19 of this section printed on its tariff sheets, and shall post the printed sections in a prominent place in its various offices for the inspection of the shipping public. Each pipeline shall post and publish only such rules and regulations as may be adopted by the Commission as general rules or such special rules as may be adopted for any particular field.

SECTION II
RULES AND REGULATIONS

5. DEFINITIONS: "Crude Petroleum," as used herein, means the direct product of oil wells, indirect petroleum products resulting either from refining crude petroleum or from the operation of gasoline recovery plants, gas recycling plants or distillate fields, or a mixture of the direct product and indirect petroleum products:

*A.P.I. Gravity," as used herein, means gravity determined in accordance with American Society for Testing Materials Designation D287.

"Carrier," as used herein, means Genesis Pipeline Texas, L.P.

"Nomination," as used herein, means a written designation by a Shipper to the Carrier of an approximate quantity of crude petroleum for transportation from a specified origin point(s) to a specified destination point(s) over a period of one operating month in accordance with these rules and regulations.

"Operating Month," as used herein, for a Shipper or Transferor means any calendar month in which the Carrier either transports crude petroleum or recognizes and records a change in ownership of crude petroleum for the account of such party. For purposes hereof the calendar month shall be deemed to begin at 7:00 a.m. (Central Time) on the first day of such month.

"Shipper," as used herein, means the party who contracts with the Carrier for the transportation of crude petroleum subject to and in accordance with these rules and regulations subject to the rate on the applicable tariff.

"Tender," as used herein, means an offer by a Shipper to the Carrier of an approximate quantity of crude petroleum for transportation from a specified origin point(s) to a specified destination point(s).
5. DEFINITIONS: (Continued)

“Transferor,” as used herein, means the party who requests the Carrier to recognize and record a change in ownership of crude petroleum from its account to a designated transferee’s account.

10. APPLICATION OF RATES FROM AND TO INTERMEDIATE POINTS: For shipments accepted for transportation from any point not named in tariffs making reference hereto which is intermediate to a point from which rates are published in said tariffs, through such unnamed point, the rate published therein from the next more distant point specified in the tariff will apply from such unnamed point, and the gathering charge at the next more distant point shall apply when the gathering service is performed. For shipments accepted for transportation to any point not named in tariffs making reference hereto which is intermediate to a point to which rates are published in said tariffs, through such unnamed point, the rate published therein to the next more distant point specified in the tariff will apply.

15. PUMPING SERVICE: For loading aboard tank cars or delivery to Shipper’s or Consignee’s tanks where the receiving station has to perform additional pumping service, an additional charge of ten cents (10¢) per barrel will be made.

20. SHIPMENTS OF INDIRECT PETROLEUM PRODUCTS: Indirect petroleum products will be accepted for gathering and/or transportation only on condition that they have been mixed with direct products of oil wells, or on condition that they can be mixed with direct products of oil wells in tanks or lines of Carrier at the point offered, and provided that both the indirect products and the direct oil well products with which they are so mixed are owned by the same Shipper and are consigned to the same destination. Carrier reserves the right to require that all deliveries of indirect petroleum products with a vapor pressure in excess of atmospheric pressure be made from pressurized tanks. The Shipper shall provide arrangements whereby such tanks shall be kept under constant pressure during the time liquid is being run from said tanks by charging, from an external source, the vapor space of the tanks with vapors of the same indirect petroleum product being run.

21. SPECIFICATIONS AS TO QUALITY AND LEGALITY OF SHIPMENT: Carrier reserves the right to reject all tenders of crude petroleum when in Carrier’s sole determination:

A. Crude petroleum having a vapor pressure in excess of ten (10) pounds absolute at a temperature of one hundred degrees Fahrenheit (100 deg. F) and/or an A.P.I. gravity in excess of 120.9 degrees.

B. Crude petroleum where the Shipper or Consignee has failed to comply with all applicable laws, rules, and regulations made by any governmental authorities regulating shipments of crude petroleum.

C. Crude petroleum received from tanks containing basic sediment, water, or other impurities in excess of one percent (1%) average in suspension above the pipeline connection. Where crude oil is delivered to the pipeline through automatic custody transfer measurement facilities, Carrier may require use of a monitor which rejects oil containing in excess of one percent (1%) basic sediment and water. (This limitation by Carrier is supplementary to the two percent (2%) basic sediment and water limit above a point 6 inches below pipeline connection provided for in paragraph 1 of Section 1 hereof.)

Crude petroleum delivered to Carrier’s facilities which does not meet these specifications shall be considered contaminated. If upon investigation Carrier determines that a Shipper has delivered to facilities contaminated crude petroleum, such Shipper will be excluded from further entry into the applicable segments of the System until such time as quality specifications are met. Further, Carrier reserves the right to dispose of any contaminated crude petroleum blocking its System, provided such crude petroleum is not removed by the Shipper having title thereto upon reasonable notice to it by Carrier. Disposal thereof may be made by public sale if necessary. Any expenses incurred by the Carrier in making such arrangement, shall be borne by the Shipper or Consignee.

D. Crude petroleum having a viscosity in excess of 150 seconds Saybolt Universal (150 SSU) at 60 degrees Fahrenheit (60F).

E. Crude petroleum having a pour point of more than forty degrees Fahrenheit (40F).

Crude petroleum delivered to Carrier’s facilities which does not meet these specifications shall be considered contaminated. If upon investigation Carrier determines that a Shipper delivered to facilities contaminated crude petroleum, such Shipper will be excluded from further entry into the applicable segments of the System until such time as quality specifications are met. Further, Carrier reserves the right to dispose of any contaminated crude petroleum blocking its System, provided such crude petroleum is not removed by the Shipper having title thereto upon reasonable notice to it by Carrier. Disposal thereof may be made by public sale if necessary. Any expenses incurred by the Carrier in making such arrangement, shall be borne by the Shipper or Consignee.

22. HIGH VISCOSITY CHARGE: In addition to all other charges provided herein and charges for transportation, all high viscosity petroleum tendered for transportation will be subject to charge of ten (10) cents per barrel.

30. APPLICATION OF RATES: Crude petroleum accepted for gathering and/or transportation shall be subject to the rates in effect on the date of receipt by Carrier, irrespective of the date of the nomination.

35. TIME FOR SUBMITTING NOMINATIONS: The Carrier is under no obligation to accept a tender of crude petroleum for shipment for any operating month unless the shipper submits its nominations to Carrier on or before the 25th day of the preceding calendar month.

Crude petroleum tendered for shipment through the lines of the Carrier will be received when nominations from the Shipper show the point at which the crude petroleum is to be received, point of delivery, consignee, and amount of crude petroleum to be transported. Carrier may refuse to accept crude petroleum for transportation unless satisfactory evidence is furnished that the Shipper or Consignee has made provisions for prompt receipt thereof at destination.
35. TIME FOR SUBMITTING NOMINATIONS: (Continued)

When nominations submitted by Shippers to Carrier on or before the twenty-fifth (25th) of the month preceding the operating month do not exceed the capacity of the System or any line segment thereof, additional nominations may be accepted by the Carrier to fill capacity. These additional nominations will be accepted only if they do not impair the movement of crude petroleum nominated before the twenty-fifth (25th) of the preceding month.

36. LINE FILL AND TANK BOTTOM INVENTORY. Either prior to or after the acceptance of Petroleum for transportation through the System, Carrier may, upon reasonable notice, require each Shipper to provide a pro rata part of the Volume of Petroleum necessary for pipeline fill, unavailable stocks below tank connections, and reasonable additional minimum quantities required for the efficient operation of the System. Petroleum provided by a Shipper for this purpose may be withdrawn from the System only with the prior approval of Carrier or after reasonable notice of such Shipper's intention to discontinue shipment in the System pursuant to Carrier's applicable tariff or tariffs.

40. UNLOADING OR TRANSFER CHARGES:

A. All shipments received from tank truck unloading facilities or gathering pipeline facilities provided by others, either of which delivers into Carrier's trunkline facilities, will be subject to an unloading or transfer charge of nine cents (9¢) per barrel, except that no charge in either case shall be made if the initial trunkline pumping is provided by others.

B. All shipments received from tank truck unloading facilities into Carrier's gathering facilities will be subject to the applicable gathering charge for the particular gathering facility but will not be subject to a truck unloading or transfer charge.

C. In either case, the applicable charge will be in addition to trunk transportation rates.

45. DEDUCTIONS AND QUANTITIES DELIVERABLE: (Exception to paragraph 9, Section I hereof)

A. All shipments of crude petroleum of 45.0 degrees API gravity or above shall be subject to a deduction to cover the shrinkage resulting from the mixture thereof, in the facilities of Genesis Pipeline Texas, L.P. with crude petroleum of API gravity of 44.9 degrees or less according to the following table:

<table>
<thead>
<tr>
<th>A.P.I. Gravity</th>
<th>% Deduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>20.0° through 44.9°</td>
<td>None</td>
</tr>
<tr>
<td>45.0° through 54.9°</td>
<td>1</td>
</tr>
<tr>
<td>55.0° through 59.9°</td>
<td>2</td>
</tr>
<tr>
<td>60.0° through 74.9°</td>
<td>3</td>
</tr>
<tr>
<td>75.0° through 84.9°</td>
<td>4</td>
</tr>
<tr>
<td>85.0° through 94.9°</td>
<td>5</td>
</tr>
<tr>
<td>95.0° through 104.9°</td>
<td>6</td>
</tr>
<tr>
<td>105.0° through 120.9°</td>
<td>7</td>
</tr>
</tbody>
</table>

B. The quantity deliverable shall be the net volume remaining after adjustment for temperature and deduction for basic sediment, water, other impurities, and losses, provided for in paragraph 9, Section I hereof, less the applicable deduction for shrinkage.

50. GATHERING CHARGES: (Amendment to paragraph 8, Section I hereof). When gathering service is performed by Carrier, gathering charges will be assessed on the net volume remaining after adjustment for temperature and deduction for basic sediment, water, other impurities, and losses, provided for in paragraph 9, Section I hereof, with no deduction being made for shrinkage.

55. COMMON STREAM PETROLEUM - CONNECTION CARRIERS: When both receipts from and deliveries to a connecting Carrier of substantially the same grade of petroleum are scheduled at the same interconnection, Carrier reserves the right, with cooperation of the connecting Carrier, to offset like volumes of such common stream petroleum in order to avoid the unnecessary use of energy which would be required to physically pump the offsetting volumes. When this right is exercised, Carrier will make the further deliveries for the Shipper involved from its common stream petroleum.

60. INTRASYSTEM CHANGE IN OWNERSHIP: Notice of change in ownership of crude petroleum will be recognized and recorded only where such crude petroleum entered the Carrier’s System and only on a monthly basis. Statements denoting ownership transactions will be provided to the applicable Transferees and Transferees. The Carrier will not provide any information as to the quality of the crude petroleum subject to changes in ownership except for gravity on current receipts when requested. A Transferor will be permitted to make only one transfer at a location per month. A Transferor cannot make any transfers at the same location except for one transfer per month. A Transferee will then become the Shipper and pay all tariff charges from the transfer location.

The Carrier shall not be obligated to recognize and record changes in ownership of crude petroleum during any operating month unless the Transferor and Transferee requesting the Carrier to recognize and record the change in ownership shall, each, on or before the 25th day of the preceding calendar month tender written notice to the Carrier containing like data relative to the kind, quantity, source, location, Transferee and Transferee of the crude petroleum. The Carrier shall not be obligated to accept any modification in said notice unless confirmed in writing by the Transferor and Transferee on or before the last day of the calendar month preceding the operating month.
60. INTRASYSTEM CHANGE IN OWNERSHIP: (Continued)

When the quantity of the crude petroleum received during the operating month is not equivalent to the quantity of the crude petroleum subject to the notice of change in ownership, the Carrier will recognize and record the change in ownership only to the extent of the quantity received.

A notice of change in ownership of crude petroleum shall be deemed a warranty that the Transferor has unencumbered title to the crude petroleum identified in its notice at the time of change in ownership.

SECTION III

STORAGE OF CRUDE PETROLEUM IN TRANSIT

100. GENERAL APPLICATION: Carrier will provide working tankage that is incident and necessary to the transportation of crude petroleum, but does not provide or offer storage service.

EXPLANATION OF REFERENCE MARKS

[W] Change in wording