

Contract No. HUB539

**INTERRUPTIBLE SERVICE HUB CONTRACT
(ALL SERVICES/ALL POINTS)**

BETWEEN

UNION GAS LIMITED

AND

**HURON TIPPERARY LIMITED PARTNERSHIP I
BY ITS GENERAL PARTNER TIPPERARY GAS CORP.**

DATED FEBRUARY 1, 2008

**Schedule A Points and Pressures
Schedule B Pricing Provisions**

**INTERRUPTIBLE
SERVICE HUB CONTRACT
(ALL SERVICES/ALL POINTS)
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THIS INTERRUPTIBLE SERVICE HUB CONTRACT dated as of the 1st day of February, 2008,

BETWEEN:

UNION GAS LIMITED, a company existing under the laws of the Province of Ontario,
(hereinafter referred to as “**Union**”)

- and -

HURON TIPPERARY LIMITED PARTNERSHIP I BY ITS GENERAL PARTNER TIPPERARY GAS CORP., a company incorporated under the laws of the Province of Ontario
(hereinafter referred to as “**Shipper**”)

WHEREAS, Union owns and operates a natural gas transmission and storage system in south-western Ontario, through which Union offers services including natural gas transportation, exchange, balancing and name change services (herein collectively referred to as the “**Services**” as defined in Article V);

AND WHEREAS Shipper wishes to retain Union to provide one or more of the Services, as set out herein, and Union has agreed, subject to the terms and conditions of this Contract, to provide the Services requested, on an interruptible basis;

NOW THEREFORE, this Contract witnesses that, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

ARTICLE I - INTERPRETATION AND DEFINITIONS

1.01 Divisions, Headings and Index: The division of this Contract into Articles, Sections and Subsections, and the insertion of headings and any table of contents or index provided are for convenience of reference only, and shall not affect the construction or interpretation hereof.

1.02 Industry Usage: Words, phrases or expressions which are not defined herein and which, in the usage or custom of the business of the transportation, storage, and distribution or sale of natural gas have an accepted meaning shall have that meaning.

1.03 Extended Meaning: Unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders. The words “herein” and “hereunder” and words of similar import refer to the entirety of this Contract, including the Schedules incorporated into this Contract, and not only to the Section in which such use occurs.

1.04 Conflict: In the event of any conflict between the provisions of this Contract and those of Schedules “A” and “B” and the MPSS or the C1 Rate Schedule, the provisions of the MPSS or the C1 Rate Schedule (as applicable) shall prevail over the Contract and Schedules “A” and “B”, and Schedules “A” and “B” shall prevail over the Contract.

1.05 Measurements: Units set out in SI (metric) measurement are the governing units for the purpose of this Contract. Units set out in Imperial measurement in parentheses beside their SI (metric) equivalent are for reference only and in the event of a conflict between SI (metric) and Imperial measurement herein, SI (metric) shall prevail.

1.06 Currency: All reference to dollars in this Contract shall mean Canadian dollars, unless stated otherwise.

1.07 Schedules: Refers to the schedules attached hereto which are specifically included as part of this Contract, and include:

- Schedule A - Points and Pressures
- Schedule B - Pricing Provisions

1.08 Price and Rate Schedules:

- (a) “**Market Price Service Schedule**” or “**Union’s MPSS**” or “**MPSS**” shall mean Union’s Market Price Service Schedule, including Schedule “A” (General Terms and Conditions) and Schedule “B” (Nominations), as last adopted by Union from time to time and posted to Union’s website with at least 30 days prior notice. The Market Price Service Schedule, as last adopted by Union from time to time, shall apply to the Services in Sections 5.01 (b) as if incorporated into this Contract.
- (b) “**C1 Rate Schedule**” or “**Union’s C1 Rate Schedule**” or “**C1**” shall mean Union’s C1 Rate Schedule (including the Schedules attached thereto), or such other replacement Rate Schedule which may be applicable to certain Services hereunder, as approved by the Ontario Energy Board from time to time. The C1 Rate Schedule, as amended from time to time, shall apply to the Services in Section 5.01 (a) as if incorporated into this Contract.

1.09 Definitions: Capitalized terms and certain other terms used in this Contract and not specifically defined shall have the meaning set forth in the MPSS or C1 Rate Schedule, as applicable, unless the context hereof otherwise clearly requires. The following definitions shall be read and interpreted as though included in the aforementioned:

- (a) “**Authorized Quantity**” shall have the meaning as set forth in Schedule “B” of the MPSS or Schedule “B” of the C1 Rate Schedule, as applicable;
- (b) “**Balancing Account**” shall mean the gas balance held by Union for Shipper, or owed by Shipper to Union, at any or all points on the Service Hub, and shall equal the quantity of gas received by Union for Shipper’s account minus the quantity of gas delivered to Shipper by Union at that point. Where the Balancing Account is zero or a positive number, Union is deemed to be providing a Parking Service for Shipper; and, where the Balancing Account is a negative number, Union is deemed to be providing a Loan Service for Shipper;
- (c) “**Balancing Service**” shall mean either an interruptible Parking Service or an interruptible Loan Service, as the case may be, and shall be so defined depending on

the quantity of gas held or owed by Union on behalf of Shipper in the Balancing Account;

- (d) “**Delivery Point**” shall mean any point on the Service Hub where Union shall deliver gas to Shipper, as described in Schedule “A” attached hereto;
- (e) “**Exchange Point**” shall mean the agreed to points located outside the Service Hub, where Union shall deliver gas to Shipper, utilizing arrangements that Union may have in place with others, from time to time;
- (f) “**Loan Service**” shall mean an interruptible Service whereby Union delivers a quantity of gas (such quantity to be known as the “**Loaned Quantity**”) to Shipper at a Delivery Point and debits Shipper's Balancing Account accordingly, and an equal quantity of gas is subsequently returned by Shipper to Union at that same point, at which time the Shipper's Balancing Account is credited accordingly;
- (g) “**Name Change Service**” shall mean an interruptible administrative service whereby Union acknowledges for Shipper a change in title of a gas quantity from Shipper to a third party at a Transfer Point;
- (h) “**Parking Service**” shall mean an interruptible Service whereby Union receives a quantity of gas (such quantity to be known as the “**Parked Quantity**”) from Shipper at a Receipt Point and credits Shipper's Balancing Account accordingly, and an equal quantity of gas is subsequently returned by Union to Shipper at that same point, at which time the Shipper's Balancing Account is debited accordingly;
- (i) “**Receipt Point**” shall mean any point on the Service Hub where Union shall receive gas from Shipper, as described in Schedule “A” attached hereto;
- (j) “**Service Hub**” shall mean Union's transmission and underground storage facilities, and points of interconnection of those facilities with the facilities of any other company's gas pipeline;
- (k) “**Transfer Point**” shall mean any Delivery, Receipt or Exchange Point; and,
- (l) “**Unauthorized Overrun**” shall have the meaning as set forth in Schedule “B” of the MPSS or Schedule “B” of the C1 Rate Schedule, as applicable.

ARTICLE II - *Intentionally blank*

ARTICLE III - CONDITIONS PRECEDENT

3.01 The obligations of Union to provide the Services hereunder are subject to the following conditions precedent, which are for the sole benefit of Union and which may be waived or extended in whole or in part in the manner provided for in this Contract:

- (a) Union shall have obtained all internal approvals that are necessary or appropriate to provide the Services; and,

(b) Union shall have received from Shipper the requisite financial assurances reasonably necessary to ensure Shipper's ability to honour the provisions of this Contract (the "**Initial Financial Assurances**"). The Initial Financial Assurances, if required, will be as determined solely by Union and will be up to a maximum as set out in Section 12.02.

3.02 The obligations of Shipper hereunder are subject to the following conditions precedent, which are for the sole benefit of Shipper and which may be waived or extended in whole or in part in the manner provided for in this Contract:

(a) Shipper shall, as required, have entered into the necessary contracts with Union and/or others to facilitate the Services contemplated herein, including contracts for upstream and downstream transportation, and shall, as required, have entered into the necessary contracts to purchase the gas quantities handled under this Contract; and,

(b) Shipper shall have obtained all internal approvals that are necessary or appropriate for the Shipper to execute this Contract.

3.03 Union and Shipper shall each use due diligence and reasonable efforts to satisfy and fulfil the conditions precedent specified in Sections 3.01 (b) and Section 3.02 (a). Each party shall notify the other forthwith in writing of their respective satisfaction or waiver of each condition precedent for such party's benefit. If a party concludes that it will not be able to satisfy a condition precedent that is for its benefit, such party may, upon written notice to the other party, terminate this Contract and upon the giving of such notice, this Contract shall be of no further force and effect and each of the parties shall be released from all further obligations hereunder; provided that any rights or remedies that a party may have for breaches of this Contract prior to such termination and any liability a party may have incurred before such termination shall not thereby be released.

ARTICLE IV - TERM OF CONTRACT

4.01 This Contract shall be effective as of the date of execution hereof, however, the applicable Service obligations, terms and conditions hereunder shall commence on the later of

(a) February 1, 2008; and

(b) the day following the date that all of the conditions precedent set out in sections 3.01 and 3.02 applicable to that Service have been satisfied or waived by the party entitled to the benefit thereof;

(such later date being referred to as the "**Commencement Date**") and shall continue in full force and effect on a month to month basis, subject to notice of termination being given by either party to the other, in accordance with the provisions of this Contract and subject to Sections 4.02 and 4.03, at least one calendar month in advance.

4.02 In the event that this Contract is terminated pursuant to Section 4.01, any quantities in Shipper's Balancing Account will be subject to the term of the Balancing Service of such quantities, which period of time shall not exceed sixty (60) days.

4.03 Without limiting the generality of the foregoing, this Contract may be terminated in accordance with Article XII of Schedule "A" of the MPSS or Article XII of Schedule "A" of the C1 Rate Schedule, as applicable.

4.04 For the purpose of completing a final determination of the actual quantities of gas handled in any of the Services to Shipper, the parties shall have the right to amend their statements for a period equal to the time during which the Interconnecting Pipeline retains the right to amend their statements, which period of time shall not exceed three (3) years from the date of termination of this Contract.

ARTICLE V - SERVICES

5.01

(a) Shipper agrees to the terms and conditions set out herein upon nomination to Union for the provision of one or more of the following Services, pursuant to Union's available daily capacity, and subject to Union's C1 Rate Schedule, as follows:

A/ Transportation:

Union agrees, on any day, to receive on Shipper's behalf at the Receipt Point, any quantity of gas which Shipper nominates and which Union has authorized for transportation service, and to deliver that quantity of gas to Shipper at the Delivery Point.

B/ Exchange:

(i) Union agrees, on any day, to receive on Shipper's behalf at a Receipt Point or an Exchange Point, any quantity of gas which Shipper nominates and which Union has authorized for exchange service, and to deliver that quantity of gas to Shipper at an Exchange Point or a Delivery Point.

(ii) The parties agree that any quantity of gas to be delivered by Union to any upstream or downstream transporter (the "Transporter") for delivery to Shipper may be subject to acceptance by the Transporter, and to the extent that the Transporter is unable or unwilling to deliver such quantities, this shall not be deemed a failure to deliver by Union.

(b) Shipper agrees to the terms and conditions set out herein upon nomination to Union for the provision of one or more of the following Services, pursuant to Union's available daily capacity, and subject to Union's MPSS, as follows:

C/ Balancing:

Union agrees, on any day, to either receive a quantity of gas from Shipper and credit Shipper's Balancing Account, or to deliver a quantity of gas to Shipper and debit Shipper's Balancing Account, such quantity of gas as Shipper nominates and Union has authorized for Balancing Service under the following terms and conditions:

(i) The Parking Service is authorized for a "Parking Period" of up to sixty (60) days, except between August 1 and December 15 of each year when Parking Service will only be authorized for a Parking Period of up to ten (10) days. However, Shipper shall ensure that Shipper's Balancing Account, when in a credit position, is reduced to zero (0), at each point on the Service Hub: at least once every sixty (60) days between December 16 and July 31, inclusive; on July 31; and at least once every ten (10) days for gas delivered between August 1 and December 15, inclusive, of each year.

(ii) The Loan Service is authorized for a "Loan Period" of up to sixty (60) days, except between December 15 and April 30 of each year, when Loan Service will only be authorized for a Loan Period of up to ten (10) days. However, Shipper shall ensure that Shipper's Balancing Account, when in a

debit position, is reduced to zero (0), at each point on the Service Hub: at least once every sixty (60) days between May 1 and December 14, inclusive; on December 14; and at least once every ten (10) days for gas delivered between December 15 and April 30, inclusive, of each year.

(iii) Should Shipper fail to comply with the requirements of Subsections 5.01 C (i) and (ii), in obtaining a zero (0) balance as stipulated therein, then Union shall automatically extend the Parking Service or Loan Service from the day that such Balancing Account should have been made to zero (0) for an "Extension Period", which shall equal the authorized Parking Period or Loan Period as defined above, at rates and under terms as set out in Schedule "B", hereof. Subject to the charges for Unauthorized Overrun in the MPSS, during any Extension Period where a zero (0) balance is required every ten (10) days, Shipper shall use due diligence to either take delivery of the Parking Service gas quantities from or return the Loan Service gas quantities to Union promptly.

(iv) All gas quantities must be either received by Shipper in the Parking Service, or delivered by Shipper in the Loan Service, at the same point where the Shipper's Balancing Account for such quantities is held, however, should Shipper nominate a different point, Union shall make reasonable efforts to accommodate such change and Shipper shall be responsible for any and all additional costs or charges applicable at the time.

D/ Name Change:

(i) Union agrees, on any day, to effect a name change at the Transfer Point for any quantity of gas which Shipper nominates and which Union has authorized for Name Change Service. Shipper and/or its designate shall ensure that Union is notified of the names of the parties underlying this transaction, which name change(s) Union shall confirm to all relevant Transporters (including Union).

(ii) Union will not accommodate any name changes unless the party for which the name change is being made has executed a valid and approved Interruptible Service Hub Contract and made a Service Hub nomination with Union, or has properly nominated under other contracts in place with Union.

5.02 Accounting for Services: All quantities of gas handled by Union shall be accounted for on a daily basis. Services provided hereunder shall be in accordance with the prescribed nominations procedures herein, and shall be interruptible in nature and subordinate to any and all firm services supplied by Union.

5.03 Commingling: Union shall have the right to commingle the quantity of gas referenced herein with gas owned by Union or gas being stored and/or transported by Union for third parties.

5.04 Imbalances: The parties hereto recognize that with respect to Section 5.01 (b) C/, on any day, receipts of gas by Union and deliveries of gas by Union may not always be exactly equal, but each party shall cooperate with the other in order to balance as nearly as possible the quantities transacted on a daily basis and any imbalances arising shall be allocated to the Balancing Service at the relevant Receipt or Delivery Point where Shipper was to provide or take the gas, and shall be subject to the terms and charges of the Balancing Service as per Section 5.01 (b) C/ and shall be resolved in a timely manner.

ARTICLE VI - FORCE MAJEURE

6.01 Pursuant to the terms of Sections 5.01 and 5.02, an event of force majeure on Union's system, as defined in Schedule "A" of Union's MPSS or C1 Rate Schedule, as applicable, will excuse a delay in either the delivery of the gas by Union or the acceptance of receipt of the gas by Union hereunder, and will extend the time required for Union's or Shipper's obligation to be fulfilled on a day for day basis. If Union is prevented, by reason of an event of force majeure, from delivering gas to the Delivery Point or Exchange Point on the day or days upon which Union has accepted gas from Shipper at the Receipt Point, Union shall thereafter make all reasonable efforts to deliver such quantities as soon as practicable and on such day or days as are agreed to by Shipper. Union shall also suspend any charges to be levied against Shipper on a day for day basis until the impact of the days of delay caused by the force majeure has been accommodated.

6.02 An event of force majeure, as contemplated under Section 6.01 upstream or downstream of Union's system, shall not relieve Shipper of any charges payable under Article VIII.

ARTICLE VII - SERVICE CURTAILMENT

7.01 Capacity Sharing: Where requests for interruptible services hereunder exceed the capacity available for such Services, Union will accept nominations from shippers and allocate capacity in the order of pricing for Services and prior quantities moved, and shippers shall be so advised. Any interruptible service provided herein is subordinate to any and all firm services supplied by Union.

7.02 Capacity Procedures: Union reserves the right to change its procedures for allocating interruptible services capacity and will provide Shipper with two (2) months prior notice of any such change.

ARTICLE VIII - CHARGES AND RATES

8.01 Except as otherwise stated herein, the charges to be billed by Union and paid by Shipper for the Services will be those of Schedule "B" Pricing Provisions, as posted on Union's website, www.uniongas.com, which Schedule as revised from time to time by Union is hereby incorporated by references into this Contract.

8.02 In addition to the charges and rates described above, Shipper is responsible for any applicable Goods and Services Tax or other taxes, royalties or levies imposed currently or subsequent to the commencement of this Contract.

8.03 Set Off: If either party shall, at any time, be in arrears under any of its payment obligations to the other party, then the party not in arrears shall be entitled to reduce the amount payable by it to the other party in arrears under this Contract, or any other contract, by an amount equal to the amount of such arrears or other indebtedness to the other party. In addition to the foregoing remedy, Union may, upon forty-eight (48) hours verbal notice, to be followed by written notice, take possession of any or all of Shipper's gas under this Contract and any enhancements to this Contract, which shall be deemed to have been assigned to Union, to reduce such arrears or other indebtedness to Union.

ARTICLE IX - POINTS AND PRESSURES

9.01 Schedule "A" of this Contract shall govern receipt and delivery points and pressures which may be revised from time to time by Union upon written notice to Shipper.

Under no circumstances shall Union be obligated to receive or deliver gas hereunder at pressures exceeding the maximum allowable operating pressures prescribed under any applicable governmental regulations; nor shall Union be required to make any physical deliveries or to accept any physical receipts which its existing facilities cannot accommodate.

ARTICLE X - QUALITY AND MEASUREMENT

10.01 For Services provided pursuant to Article V hereof:

(a) The quality of the gas and the measurement of the gas to be received by Union hereunder is to be of a merchantable quality and in accordance with the quality standards and measurement standards as set out by Union in the MPSS or the C1 Rate Schedule, as applicable, but Union will also accept gas of a quality as set out in any other Interconnecting Pipeline's general terms and conditions, provided that all Interconnecting Pipelines accept such quality of gas. In addition to any other right or remedy of a party, each party shall be entitled to refuse or accept delivery of any gas which does not conform to any of the specifications set out in the MPSS or the C1 Rate Schedule, as applicable.

(b) The quality of the gas and the measurement of the gas to be delivered by Union hereunder at an Exchange Point is to be of a merchantable quality and in accordance with the quality standards and measurement standards of the applicable Transporter's tariff.

(c) Upon request by Union, Shipper shall obtain measurement of the total quantity of gas to be received by Union hereunder from the Interconnecting Pipeline. Such measurement shall be done in accordance with established practices between Union and the Interconnecting Pipeline.

10.02 In the event of an error in metering or a meter failure, (such error or failure being determined through check measurement by Union or any other available method), then Shipper shall enforce its rights as Shipper with the Interconnecting Pipeline(s) to remedy such error or failure including enforcing any inspection and/or verification rights and procedures.

ARTICLE XI - NOMINATIONS

11.01 Services provided pursuant to Section 5.01 (a) hereunder shall be in accordance with the prescribed nominations procedure set out in Schedule "B" of Union's C1 Rate Schedule, except that nominations for Exchange Services must be provided in writing so as to be received by Union's Gas Management Services on or before 1030 hours in the Eastern time zone, unless otherwise agreed to in writing by the parties, on the business day immediately preceding the day for which service is requested, and Services provided pursuant to Section 5.01 (b) hereunder shall be in accordance with the prescribed nominations procedure set out in Schedule "B" of Union's MPSS.

ARTICLE XII - SHIPPER'S REPRESENTATIONS AND WARRANTIES

12.01 Shipper's Warranty: Shipper warrants that it will, if required, maintain, or have maintained on its behalf, all external approvals including governmental, regulatory, import/export permits and other approvals or authorizations that are required from any federal, state or provincial authorities for the gas quantities to be handled under this Contract.

12.02 Financial Representations: Shipper represents and warrants that the financial assurances (including the Initial Financial Assurances and Security) (if any) shall remain in place throughout the term hereof, unless Shipper and Union agree otherwise. Shipper shall notify Union in the event of any changes to the financial assurances throughout the term hereof. Should Union have reasonable grounds to believe that Shipper will not be able to perform or continue to perform any of its obligations under this Contract as a result of one of the following events ("**Material Event**"):

(a) Shipper is in default, which default has not been remedied, of this Contract or is in default of any other material contract with Union or another party; or,

(b) Shipper's corporate or debt rating falls below investment grade according to at least one nationally recognized rating agency; or,

(c) Shipper ceases to be rated by a nationally recognized agency; or,

(d) Shipper has exceeded credit available as determined by Union from time to time,

then Shipper shall within fourteen (14) days of receipt of such written notice by Union, obtain and provide to Union a letter of credit or other security in the form and amount reasonably required by Union (the "**Security**"). In the event that Shipper does not provide to Union such Security within such fourteen (14) day period, Union may deem a default under the Default and Termination provisions of Section XII of the General Terms & Conditions.

In the event that Shipper in good faith, reasonably believes that it should be entitled to reduce the amount of or value of the Security previously provided, it may request such a reduction from Union and to the extent that the Material Event has been mitigated or eliminated, Union shall return all or a portion of the Security to Shipper within fourteen (14) business days after receipt of the request.

ARTICLE XIII - MISCELLANEOUS PROVISIONS

13.01 Assignment: Shipper may not assign this Contract.

13.02 Notices: All communications provided for or permitted hereunder shall be in writing, personally delivered to an officer or other responsible employee of the addressee or sent by registered mail, charges prepaid, or by facsimile or other means of recorded telecommunication, charges prepaid, to the applicable address set forth below or to such other address as either party hereto may from time to time designate to the other in such manner, provided that no communication shall be sent by mail pending any threatened, or during any actual, postal strike or other disruption of the postal service. Any communication personally delivered shall be deemed to have been validly and effectively received on the date of such delivery. Any communication so sent by facsimile or other means of telecommunication shall be deemed to have been validly and effectively received on the business day following the day on which it is sent. Any communication so sent by mail shall be deemed to have been validly and effectively received on the seventh business day following the day on which it is postmarked.

Communications to the parties hereto shall be directed as follows:

IF TO SHIPPER: Huron Tipperary Limited Partnership I
by its General Partner Tipperary Gas Corp.
309 Commissioners Rd. West, Unit E
London, ON
N6J 1Y4

Shipper Rep: Attention: Jane Lowrie, President
Telephone: 519-657-2151
Facsimile: 519-657-4296

Nominations: Attention: Manager, Gas Control, Union Gas Limited
Telephone: 519-436-5217
Facsimile: 519-436-4635

Force Majeure: Attention: Manager, Gas Control, Union Gas Limited
Telephone: 519-436-5217
Facsimile: 519-436-4635

IF TO UNION: Union Gas Limited
50 Keil Drive North
Chatham, ON N7M 5M1

Nominations: Attention: Manager, Gas Control
Telephone: 519-436-5217
Facsimile: 519-436-4635

Secondary Contact: Attention: Attention: Director, Business Development
Telephone: (519) 436-4527
Facsimile: (519) 436-4643

Notwithstanding the above, nominations shall be made by facsimile or other recorded electronic means, subject to execution of the "Agreement for Use of the Secured Portion of Union Gas Limited's Website," or such other agreement, satisfactory to Union, and will be deemed to be received on the same day and same time as sent. Each party may from time to time change its address for the purpose of this Section by giving notice of such change to the other party in accordance with this Section.

13.03 Law of Contract: Union and Shipper agree that this Contract is made in the Province of Ontario and that, subject to Article X of Schedule "A" of the MPSS and Article X of Schedule "A" of the C1 Rate Schedule, the courts of the Province of Ontario shall have exclusive jurisdiction in all matters contained herein. The parties further agree this Contract shall be construed exclusively in accordance with the laws of the Province of Ontario.

13.04 Possession of Gas:

(a) Union accepts no responsibility for any gas prior to such gas being delivered to Union at a Transfer Point or after its delivery by Union at a Transfer Point. As between the parties hereto, Union shall be deemed to be in control and possession of and responsible for all such gas from the time that such gas enters Union's system until such gas is delivered to Shipper.

(b) Shipper agrees that Union is not a common carrier and is not an insurer of Shipper's gas, and that Union shall not be liable to Shipper or any other third party for loss of gas in Union's possession except to the extent such loss is caused entirely by Union's negligence or wilful misconduct.

13.05 Title to Gas: Shipper represents and warrants to Union that, Shipper shall have good and marketable title to, or legal authority to deliver to Union, all gas delivered to Union hereunder. Furthermore, Shipper hereby agrees to indemnify and save Union harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of claims of any or all third parties to such gas or on account of royalties, taxes, license fees, or other charges thereon.

13.06 Entire Contract: This Contract (including the schedules attached hereto and the MPSS and C1 Rate Schedules, as applicable) constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. This Contract supersedes any prior or contemporaneous agreements, understandings, negotiations or discussions, whether oral or written, of the parties in respect of the subject matter hereof.

13.07 Time of Essence: Time shall be of the essence hereof.

13.08 Counterparts: This Contract may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original but all of which together shall constitute one and the same agreement. This Contract may be executed by facsimile.

13.09 Amendments and Waivers: Subject to Article XV of Schedule "A" of the MPSS or Article XV of Schedule "A" of the C1 Rate Schedule, as applicable, and the ability of Union to amend the MPSS and/or the C1 Rate Schedule as contemplated in Section 1.08 and Section 9.01, no amendment or modification of this Contract shall be effective unless the same shall be in writing and signed by each of the Shipper and Union. No waiver of any provision of this Contract shall be effective unless the same shall be in writing and signed by the party entitled to the benefit of such provision and then such waiver shall be effective only in the specific instance and for the specified purpose for which it was given. No failure on the part of Shipper or Union to exercise, and no course of dealing with respect to, and no delay in exercising any right, power or remedy under this Contract shall operate as a waiver thereof.

13.10 Severability: If any provision hereof is invalid or unenforceable in any jurisdiction, to the fullest extent permitted by law,

(a) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be construed in order to carry out the intention of the parties as nearly as possible and

(b) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of any provision in any other jurisdiction.

13.11 General Liability: The liability of the parties hereunder is limited to direct damages only and all other remedies or damages are waived. In no event shall either party be liable for consequential, incidental, punitive, or indirect damages, in tort, contract or otherwise.

13.12 This Contract cancels and supersedes any prior written agreements with respect to the subject matter hereof.

THIS CONTRACT SHALL BE BINDING UPON and shall enure to the benefit of the parties hereto and their respective successors and permitted and lawful assigns.

IN WITNESS WHEREOF this Contract has been properly executed by the parties hereto by their duly authorized officers as of the date first above written.

UNION GAS LIMITED

By: _____

**HURON TIPPERARY LIMITED PARTNERSHIP I
BY ITS GENERAL PARTNER TIPPERARY GAS CORP.**

By: _____

Contract No. HUB539

POINTS AND PRESSURES

The following defines each Receipt Point:

DAWN (TCPL):

At the junction of Union's and TCPL's facilities, at or adjacent to Dawn (Facilities).

DAWN (FACILITIES):

Union's Compressor Station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn-Euphemia, in the County of Lambton. This point is applicable for quantities of gas that have been previously transported or stored under other contracts that Shipper may have in place with Union.

DAWN (TECUMSEH):

At the junction of Union's and Tecumseh Gas Storage's, a division of Enbridge Gas Distribution Inc. ("Enbridge") facilities, at or adjacent to Dawn (Facilities).

DAWN (VECTOR):

At the junction of Union's and Vector Pipeline Limited Partnership's ("Vector") facilities, at or adjacent to Dawn (Facilities).

DAWN:

Dawn shall mean all or any of Dawn (TCPL), Dawn (Facilities), Dawn (Tecumseh) and Dawn (Vector) unless otherwise specified.

PARKWAY:

At the junction of Union's and TCPL's facilities, at or adjacent to Union's facilities situated in the Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton.

KIRKWALL:

At the junction of Union's and TCPL's facilities at or adjacent to Union's facilities situated in Part Lot Twenty-Five (25), Concession 7, Town of Flamborough.

OJIBWAY:

At the junction of Union's and Panhandle Eastern Pipe Line Company, LP's ("Panhandle") facilities, through two existing twelve inch diameter pipelines that extend across the Detroit River from Windsor, Ontario to River Rouge, Michigan.

ST. CLAIR:

At the junction of Michigan Consolidated Gas Company's ("MichCon") and St. Clair Pipelines (1996) Ltd.'s facilities, located at the international border between Canada and the United States in the St. Clair River.

BLUEWATER:

At the junction of Bluewater Gas Storage, LLC (“**Bluewater**”) and St. Clair Pipelines (1996) Ltd.’s facilities, located at the international border between Canada and the United States in the St. Clair River.

Dated: February 1, 2008

The following defines each Delivery Point:

DAWN (TCPL):

At the junction of Union's and TCPL's facilities, at or adjacent to Dawn (Facilities).

DAWN (FACILITIES):

Union's Compressor Station site situated in the northwest corner of Lot Twenty-Five (25), Concession II, in the Township of Dawn-Euphemia, in the County of Lambton. This point is applicable for quantities of gas that have been previously transported or stored under other contracts that Shipper may have in place with Union.

DAWN (TECUMSEH):

At the junction of Union's and Tecumseh Gas Storage's, a division of Enbridge, facilities, at or adjacent to Dawn (Facilities).

DAWN (VECTOR):

At the junction of Union's and Vector's facilities, at or adjacent to Dawn (Facilities).

DAWN:

Dawn shall mean all or any of Dawn (TCPL), Dawn (Facilities), Dawn (Tecumseh) and Dawn (Vector) unless otherwise specified.

PARKWAY:

At the junction of Union's and TCPL's facilities, at or adjacent to Union's facilities situated in the Part Lot 9 and Part Lot 10, Concession IX, New Survey, Town of Milton, Regional Municipality of Halton.

KIRKWALL:

At the junction of Union's and TCPL's facilities at or adjacent to Union's facilities situated in Part Lot Twenty-Five (25), Concession 7, Town of Flamborough.

OJIBWAY:

At the junction of Union's and Panhandle's facilities, through two existing twelve inch diameter pipelines that extend across the Detroit River from Windsor, Ontario to River Rouge, Michigan.

ST. CLAIR:

At the junction of MichCon's and St. Clair Pipelines (1996) Ltd.'s facilities, located at the international border between Canada and the United States in the St. Clair River.

BLUEWATER:

At the junction of Bluewater's and St. Clair Pipelines (1996) Ltd.'s facilities, located at the international border between Canada and the United States in the St. Clair River.

The following defines each Exchange Point:

Any point, as mutually agreed upon, shall have the definition as per the appropriate Transporter' s tariff.

Dated: February 1, 2008

PRESSURES

RECEIPTS BY UNION:

- DAWN (TCPL):** Receipts by Union shall be at a pressure of not less than 4,825 kPa.
- DAWN (FACILITIES):** Receipts by Union shall be at a pressure of not less than 4,825 kPa.
- DAWN (TECUMSEH):** Receipts by Union shall be at a pressure of not less than 4,825 kPa.
- DAWN (VECTOR):** Receipts by Union shall be at a pressure of not less than 4,930 kPa.
- PARKWAY:** Receipts by Union shall be made at a pressure which shall be in accordance with the Parkway Operating Agreement between Union and TCPL dated October 1, 1993, as may be amended from time to time.
- KIRKWALL:** Receipts by Union shall be made at Union's prevailing local system pressure.
- OJIBWAY:** Receipts by Union shall be made at Union's prevailing local system pressure.
- ST. CLAIR:** Receipts by Union shall be made at a pressure in accordance with the Operating Agreement among Union, MichCon and St. Clair Pipelines (1996) Ltd. dated May 1, 1988, as may be amended from time to time, which pressure shall not be less than 5,170 kPa at the International Border.
- BLUEWATER:** Receipts by Union shall be made at a pressure in accordance with the Operating Agreement among Bluewater, St. Clair Pipelines L.P. and Union dated January 31, 2007, as may be amended from time to time, which pressure shall not be less than 4,930 kPa at the International Border.

DELIVERIES BY UNION:

- DAWN (TCPL):** Deliveries by Union to TCPL shall be made at Union's prevailing line pressure which shall be in accordance with the agreement between Union and TCPL.
- DAWN (FACILITIES):** Deliveries by Union shall be made at a pressure of not greater than 4,825 kPa.
- DAWN (TECUMSEH):** Deliveries by Union to Enbridge shall be made at Union's prevailing line pressure which shall be in accordance with the agreement between Union and Enbridge dated March 16, 1998, as may be amended from time to time.
- DAWN (VECTOR):** Deliveries by Union to Vector shall be made at Union's prevailing line pressure which shall be in accordance with the Interconnect Agreement between Union and Vector dated July 12, 2000, as may be amended from time to time.
- PARKWAY:** Deliveries by Union to TCPL shall be made at a pressure which shall be in accordance with the Parkway Operating Agreement between Union and TCPL dated October 1, 1993, as may be amended from time to time.
- KIRKWALL:** Deliveries by Union to TCPL shall be made at Union's prevailing line pressure which shall be in accordance with the Parkway Operating Agreement between Union and TCPL.

OJIBWAY:

Deliveries by Union to Panhandle shall be made at Union's prevailing local system pressure.

ST. CLAIR:

Deliveries by Union to MichCon shall be made at a pressure in accordance with the Operating Agreement among Union, MichCon and St. Clair Pipelines (1996) Ltd. dated May 1, 1988, as may be amended from time to time, which pressure shall not be less than 5,170 kPa at the International Border.

BLUEWATER:

Deliveries by Union to Bluewater shall be made at a pressure in accordance with the Operating Agreement among Bluewater, St. Clair Pipelines L.P. and Union dated January 31, 2007, as may be amended from time to time, which pressure shall not be less than 3,448 kPa at the International Border.

Dated: February 1, 2008

February 1, 2008

Huron Tipperary Limited Partnership I
by its General Partner Tipperary Gas Corp.
309 Commissioners Rd. West, Unit E
London, ON
N6J 1Y4

Attention: Jane Lowrie

Dear Jane:

Re: The Interruptible Service Hub Contract between Union Gas Limited ("Union") and Tipperary Gas Corp. on behalf of the Huron Tipperary Limited Partnership I ("Shipper") dated February 1, 2008, Contract No. HUB539 (the "Contract")

Union hereby gives notice that the condition precedent specified in Subsections 3.01 (a) of this Contract has been met.

The condition precedent under Subsection 3.01 (b) of the Contract has been fulfilled. However, please be advised that once the aggregate charges under all agreements, including this agreement, between Union and Shipper exceed Fifty Thousand Dollars (\$50,000), Union will require reasonable security in the form of either Prepayment, Letter of Credit, Parental Guarantee or such other security with a term and amount acceptable to Union, pursuant to Section 12.02.

By signing below, Shipper warrants and represents that Shipper has met the conditions precedent under Subsections 3.02 (a) and (b).

Please acknowledge receipt and agreement to this letter by signing below.

Yours truly,



Dale VanDerMeersch
S&T Specialist, Ex-Franchise Markets
Union Gas Limited

Acknowledged and Accepted
this ____ day of _____, 2008

HURON TIPPERARY LIMITED PARTNERSHIP I
By its General Partner **TIPPERARY GAS CORP.**

UNION GAS LIMITED

February 1, 2008

Huron Tipperary Limited Partnership I
by its General Partner Tipperary Gas Corp.
309 Commissioners Rd. West, Unit E
London, ON
N6J 1Y4

Attention: Jane Lowrie

Dear Jane:

Re: The Interruptible Service Hub Contract No. HUB539

Please find enclosed two (2) copies of the above mentioned contract. Please execute and return both copies to **Union Gas Limited, 50 Keil Drive North, P.O. Box 2001, Chatham, ON, N7M 5M1, Attention: Kerry Anderson or Paula Brady** for execution by Union, whereby this shall constitute a binding Agreement between the parties.

Also enclosed are two (2) copies of the "conditions precedent letter". Once you have satisfied the conditions precedent under Section 3.02 (a) and (b) of this Contract, please sign and return both copies to either Kerry Anderson or Paula Brady, as noted above.

Union Gas management is responsible for certifying the adequacy of its internal controls, ensuring compliance with Sarbanes-Oxley legislation and Bill 198. One such control is to ensure that executed legal agreements are in place prior to the contract effective date. As such, **this agreement will not be activated until signed originals are returned to Union Gas Limited.**

Please call if you have any questions.

Regards,



Dale VanDerMeersch
S&T Specialist, Ex-Franchise Markets
Union Gas Limited