

FORM OF SERVICE AGREEMENT
FOR CAPACITY RELEASE TRANSACTIONS

This Agreement is made this _____ day of _____, _____, between Discovery Gas Transmission LLC, a Delaware limited liability company, hereinafter referred to as "Transporter", and _____, a _____ hereinafter referred to as "Replacement Shipper".

PURPOSE

The purpose of this Agreement is to set forth the terms and conditions for prequalification as a bidder and Replacement Shipper under the provisions of Transporter's capacity release program, as described in Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff, as it may be amended from time to time. Prequalification will permit Replacement Shipper to become an eligible bidder for Released Capacity posted on Transporter's Internet web site (web site). Prequalification will further permit an eligible bidder awarded capacity under the capacity release program to nominate and receive Firm Transportation service as described in such award upon the execution of a Confirmation Letter.

CONFIRMATION LETTER

Upon the award of capacity to Replacement Shipper under Transporter's capacity release program, Transporter will provide Replacement Shipper a Confirmation Letter incorporating the terms of an accepted bid for capacity. Replacement Shipper shall execute and return the Confirmation Letter to Transporter prior to or concurrently with Shipper's nomination using the Released Capacity. Nominations must conform to Transporter's nomination procedures. Transporter and Replacement Shipper agree that their respective signatures on such Confirmation Letter transmitted by facsimile or other similar technology will be deemed valid "signed writings". Upon execution, Replacement Shipper will be permitted to nominate Transportation service on Transporter's System in accordance with Transporter's FERC Gas Tariff coextensive with the rights acquired from the Releasing Shipper.

CONDITIONS OF SERVICE

Firm Transportation service provided pursuant to an award of temporary Firm Transportation service under Transporter's capacity release program is subject to the terms and conditions of Transporter's FERC Gas Tariff, including the General Terms and Conditions, the FT-1 Rate Schedule and rates, and the FT-1 Service Agreement. Transporter has the unilateral right to file revisions to these documents at any time and to implement such changes pursuant to the regulations and orders of the appropriate regulatory authority, and Replacement Shipper has the right to protest such filings.

Replacement Shipper must comply with Transporter's creditworthiness and credit appraisal provisions in Subsections 10.5 and 10.6 of the General Terms and Conditions prior to being placed on Transporter's approved list of eligible bidders for Released Capacity. Failure to maintain compliance will result in the removal of Replacement Shipper from the list of eligible bidders until such time as Replacement Shipper is in compliance with the requirements of these provisions. Further, service provided pursuant to an award of Released Capacity is subject to suspension under the terms of Subsection 10.5 if Replacement Shipper fails to meet the requirements of Subsections 10.5 and 10.6.

TERM

This Service Agreement is effective as of the first date written above, and will continue in effect for a period of one (1) Year, and Month to Month thereafter until terminated. This Service Agreement may be terminated by Transporter or Replacement Shipper at any time upon ten (10) Days' prior written notice. However, termination will not relieve either party of the obligation to perform the terms of this Service Agreement as to any transactions that were commenced prior to termination.

Issued by: L. Roberson, Vice President

Issued on: September 8, 1997

Effective on: November 10, 1997

Filed to comply with order of the Federal Energy Regulatory Commission, Docket No. CP96-712-000, issued February 27, 1997, 78 FERC ¶ 61,194

NOTICES

Any formal notice, request, or demand that either party gives to the other regarding this Service Agreement must be in writing and be mailed by first class, registered or certified mail, or be delivered in hand, to the following address of the other party, or to such other address as either may designate by formal written notice. Routine communications may be mailed by ordinary mail. Operational communications by telephone, facsimile, Internet web site (web site), or other mutually agreeable means will be considered as duly delivered without further written confirmation, unless specifically required otherwise by Transporter's FERC Gas Tariff.

Transporter: Discovery Gas Transmission LLC

Replacement Shipper:

Written nominations to schedule Transportation service hereunder shall be directed to Transporter's Gas Control Department at the following facsimile numbers:

Discovery Gas Transmission LLC
Gas Control Dispatching Department
Telephone No.: _____
Facsimile No.: _____

Electronic transfer payments to Transporter shall be accompanied with the instructions "To Credit the Account of Discovery Gas Transmission LLC" and shall be sent to the following bank and account number:

(This section is to be completed indicating the Bank Name, Bank Address and Account Number)

Remittance detail supporting electronic transfer payments to Transporter and any notice, request or demand regarding statements, bills or payments shall be mailed to the following address:

Discovery Gas Transmission LLC

MISCELLANEOUS

This Service Agreement in all respects is subject to the provisions of Transporter's FT-1 Rate Schedule, or superseding rate schedule(s), and applicable provisions of the General Terms and Conditions included by reference in such FT-1 Rate Schedule filed by Transporter with the Commission, all of which are by reference made a part hereof.

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IN WITNESS WHEREOF, the parties hereto have executed this Service Agreement in duplicate originals on the Day and Year first written above.

Discovery Gas Transmission LLC

By: _____
(Name)

Title: _____

(Shipper)

By: _____
(Name)

Title: _____

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APPLICABLE TO CAPACITY RELEASE TRANSACTIONS
CONFIRMATION LETTER

1. Shipper's Name: _____

2. Releasing Shipper's FT-1 Service Agreement Number: _____

3. Commencement Date: _____ Termination Date: _____

4. Reservation Quantity: _____ Dt/d

5. Primary Receipt Point(s):	Maximum Daily Reservation Quantity Dt
_____	_____
_____	_____
_____	_____

6. Primary Delivery Point(s):	Maximum Daily Reservation Quantity Dt
_____	_____
_____	_____
_____	_____

7. Reservation Rate \$ _____/Dt

Authorized Signature of Shipper:

Name: _____

Title: _____

Telephone: (____) _____

Facsimile: (____) _____

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