

Plains Midstream Canada ULC General Provisions of Crude Oil Sale Agreement
January 1, 2011

1. **General Provisions/Special Provisions:** These General Provisions form part of the specific purchase and sale terms between the parties (herein referred to as the "Special Provisions"). Seller has agreed to sell, and Buyer has agreed to buy, Product on such terms. The word "Agreement" includes the Special and General Provisions, but in the event of a conflict between the two, the Special Provisions shall prevail. Capitalized terms used herein have the meanings attributed to them in the Special Provisions.
2. **Delivery:** Title to Product and risk in connection therewith shall pass from Seller to Buyer at the Delivery Point as Product 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 shall occur at the particular pipeline facility designated in the Special Provisions. For pricing purposes, Product shall be deemed delivered in equal daily quantities during each month that deliveries occur.
3. **Quantity Measurement:** Buyer shall, or shall cause, Product to be gauged or metered using accurate measuring facilities. If tank gauges are used, volume shall be computed from tank tables on a 100% volume basis. Measurement of Product may be witnessed by representatives of Buyer and Seller. Adjustments and corrections shall be made to volume and density to correspond to 15°C, and for compressibility and shrinkage, and the amount of sediment and water shall be deducted from the corrected volume.
4. **Payment:** (a) Buyer shall, on the 25th day of each month (or other date specified in the Special Provisions) pay Seller the Price for Product delivered to Buyer in the immediately preceding month. Assuming timely receipt of invoices, payments shall be made by wire transfer of immediately available funds to the account of Seller notified to Buyer at least 5 business days prior to the due date therefor. (b) Payment shall be made in Canadian dollars unless the Special Provisions state otherwise. If the payment date falls on a Saturday or a non-Monday Bank holiday, payment will be due on the last preceding business day. If the payment date falls on a Sunday or Monday bank holiday, payment will be due on the next business day. (c) If Buyer fails to make any payment when due, Buyer shall, on demand, pay interest computed from the due date to the date of payment, before as well as after judgment, at an annual rate equal to the lesser of (i) four percentage points above the annual rate of interest announced by Bank of Montreal from time to time as its prime rate of interest for Canadian dollar loans in Canada, and (ii) the maximum rate of interest allowed by law. (d) Either party may offset any payments or deliveries due to the other party under this or any other agreement between the parties.
5. **Financial Responsibility:** Notwithstanding anything to the contrary in this 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 deliveries of crude oil. 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 this Agreement forthwith. However, if a Letter of Credit is required under the Special Provisions of this Agreement and Buyer does not provide same, then Seller only may terminate this Agreement forthwith. In no event shall Seller be obligated to schedule or complete delivery of the crude oil until said Letter of Credit is found acceptable to Seller. Each party may offset any payments or deliveries due to the other party under this or any other agreement between the parties. If a party to this Agreement (the "Defaulting Party") should (a) become the subject of bankruptcy or other insolvency proceedings, or proceedings for the appointment of a receiver, trustee, or similar official, (b) become generally unable to pay its debts as they become due, or (c) make a general assignment for the benefit of creditors, the other party to this Agreement may withhold shipments without notice.
6. **Warranties:** The Seller represents and warrants to Buyer that: (a) it has full right and authority to sell and deliver Product to Buyer hereunder, and to receive payment therefor; (b) Product will be acquired by Buyer free and clear of all royalties, liens, charges, encumbrances and adverse claims; (c) Product does not contain more than 0.5% of sediment and water, nor any organic chlorides, oxygenated hydrocarbons or lead, nor any other contaminants; and (d) Product is marketable and readily transportable, and is of a quality and has physical properties and specifications such that on delivery it is acceptable to any common carrier or pipeline that Buyer may use for transport thereof. Each such representation and warranty shall be deemed to be repeated by Seller on each day during the term of this Agreement. In addition to Buyer's other remedies hereunder or at law, Buyer may refuse to accept delivery of any Product tendered in breach of this Section, or may return to Seller any such Product even after delivery.
7. **Indemnity and Taxes:** (a) Seller shall indemnify and save harmless Buyer from and against any and all losses, costs, damages, liabilities and expenses (including legal fees on a solicitor and his own client basis) arising out of any breach of the representations and warranties made in Section 6 (including third party claims or actions to which Buyer is made a party), and shall, on demand by Buyer, furnish an indemnity bond satisfactory to Buyer in the event of any claim being asserted against Buyer in connection therewith. (b) Buyer shall indemnify Seller from and against any liability of Seller in respect of the Goods and Services Tax as provided for in the Excise Tax Act, R.S.C. 1985, c.E-15, as amended, or any successor or parallel provincial or federal legislation that is intended to impose a tax, charge or fee on the recipient of Product

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supplied under this Agreement, or any other federal, provincial, state, foreign or local taxes or levies, or customs levies or charges. For greater certainty, any such tax, charge or fee will not form any component of the Price, buy shall be payable at the same time as the Price is payable hereunder.

8. **Governmental Regulations:** This Agreement shall be subject to all laws, rules, regulations and orders of all governmental authorities having jurisdiction over the parties, Product or Delivery Point. If any provision hereof violates the same, it may be severed and this Agreement shall continue unless terminated by either party by written notice.
9. **Force Majeure:** (a) "Force Majeure" means an event which is unforeseen and beyond the reasonable control of a party hereto and which, by the exercise of due diligence, could not have prevented or overcome by that party, and shall include without limitation: (i) lightning, earthquakes, fires, storms, floods, washouts and other Acts of God; (ii) strikes, lockouts and other industrial disturbances; (iii) acts of the Queen's enemies, sabotage, arrests and restraints, war, riot, or other civil disturbances; (iv) government, regulatory, administrative, or judicial actions, restraints, decisions, rules, laws, regulations or orders; (v) non-performance, interruption, curtailment, stoppage or pro-rationing of transportation service by third party transporters whether or not such transporter is claiming an event of force majeure under the applicable transportation agreement; or (vi) fires, explosions, obstructions of, freezing, breakage of or accidents to Product production, gathering or processing facilities; but Force Majeure shall not include any events caused by lack of finances of the party claiming the event of force majeure or any events caused by the negligence or contributory negligence of the party claiming Force Majeure. (b) The performance of the obligations of a party hereto may be delayed or suspended at any time while, but only so long as, such party is hindered in or prevented from performance by Force Majeure. (c) Any failures to perform shall be remedied with all reasonable dispatch, but no party shall be required to substitute quantities from other sources of supply. No such failure to perform shall extend the term of this agreement. (d) Notwithstanding the foregoing, in the event that because of the action or inaction of a party (the "Responsible Party"), the other party (the "Penalized Party") incurs a non-performance penalty (the "Penalty") for failure to meet deliveries for shipment by a transporter, the Responsible Party agrees to forthwith reimburse and hold the Penalized Party harmless from and against any such Penalty. The Responsible Party shall pay amounts owing by it hereunder to the Penalized Party within 5 business days of the Penalized Party's submission of an invoice and supporting documents to the Responsible Party. The Penalized Party reserves the right to deduct the Penalty from any payment due to the Responsible Party.
10. **Apportionment:** Should Buyer, Seller or any carrier at any time during the term of this Agreement be required by any governmental regulation or order or by shortage of available facilities or equipment to apportion its facilities for acceptance of Product as between suppliers tendering Product for purchase or transportation, the Product required to be accepted under this Agreement shall, at Buyer's or Seller's (as applicable) option, be reduced accordingly.
11. **Term:** Subject to Section 10, unless a particular term is specified in the Special Provisions this Agreement shall continue on a monthly basis until terminated by either party delivering to the other 30 days advance written notice of termination.
12. **Termination:** (a) If a party is in default under this Agreement, the other party may, by written notice delivered to the party in default, require the default to be remedied within 5 business days (or such longer period as the notice may stipulate) of the date of receipt of such notice. If the default has not been remedied within such time, the other party may, by written notice, terminate this Agreement. (b) If a party becomes insolvent or bankrupt, or a receiver or receiver/manager is appointed over its assets, or it makes a proposal or an arrangement involving its creditors (or a class thereof) generally, or takes any steps in respect of the foregoing, the other party may suspend or terminate its delivery obligations under this Agreement without prejudice to its other rights and remedies in respect of any default hereunder. (c) Termination of this Agreement shall not affect the rights, remedies or obligations of the parties which accrued prior to termination. (d) Neither party shall be liable for special, indirect or consequential damages (including prospective profits) under this Agreement, except as specifically provided in this Agreement.
13. **Assignment:** Neither party shall assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld. Subject thereto, this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.
14. **Miscellaneous:** Time is of the essence of this Agreement. This Agreement shall be governed by the laws of Alberta, and the courts of Alberta shall have jurisdiction with respect to all matters relating to this Agreement. Each party shall do and perform all such acts and things and execute and deliver all such assurances as may be necessary to give full effect to this Agreement. No amendment or waiver of this Agreement shall be valid unless in writing and signed by the parties (in the case of amendment) or the party providing the same (in the case of waiver). This Agreement represents the entire agreement between the parties respecting the subject matter hereof. Section headings are for convenience of reference only.