

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report: August 12, 2002
(Date of earliest event reported: July 31, 2002)

ENTERPRISE PRODUCTS PARTNERS L.P.
ENTERPRISE PRODUCTS OPERATING L.P.
(Exact name of registrants as specified in their charters)

Delaware Delaware (State or other jurisdiction of incorporation of organization)	1-14323 333-93239-01 (Commission File Number)	76-0568219 76-0568220 (I.R.S. Employer Identification No.)
2727 North Loop West, Houston, Texas (Address of principal executive offices)	7008-1037 (Zip Code)	
Registrants telephone number, including area code: (713) 880-6500		

EXPLANATORY NOTE

This report constitutes a combined report for Enterprise Products Partners L.P. (the "Company") (Commission File No. 1-14323) and its 98.9899% owned subsidiary, Enterprise Products Operating L.P. (the "Operating Partnership") (Commission File No. 333-93239-01). Since the Operating Partnership owns substantially all of the Company's consolidated assets and conducts substantially all of the Company's business and operations, the information set forth herein constitutes combined information for the Company and the Operating Partnership.

Unless the context requires otherwise, references to "we", "us", "our" or the "Company" are intended to mean the consolidated business and operations of Enterprise Products Partners L.P., which includes Enterprise Products Operating L.P. and its subsidiaries.

Item 2. ACQUISITION OR DISPOSITION OF ASSETS.

Purchase of Interests in Mapletree and E-Oaktree

On August 1, 2002, we announced the purchase of equity interests in affiliates of The Williams Companies, Inc. ("Williams"), which in turn, own controlling interests in Mid-America Pipeline Company, LLC ("Mid-America", formerly Mid-America Pipeline Company) and Seminole Pipeline Company ("Seminole"). The purchase price of the acquisition was approximately \$1.2 billion (subject to certain post-closing purchase price adjustments) and was determined pursuant to arms-length negotiations between the parties. The effective date of the acquisition was July 31, 2002.

The acquisitions include a 98% ownership interest in Mapletree, LLC ("Mapletree"), owner of a 100% interest in Mid-America Pipeline Company, LLC and certain propane terminals and storage facilities. The Mid-America pipeline is a major natural gas liquids ("NGL") pipeline system consisting of three NGL pipelines, with 7,226 miles of pipeline, and average transportation volumes of approximately 850 MBPD. Mid-America's 2,548-mile Rocky Mountain system transports mixed NGLs from the Rocky Mountain Overthrust and San Juan Basin areas to Hobbs, Texas. Its 2,740-mile Conway North segment links the large NGL hub at Conway, Kansas to the upper Midwest; its 1,938 mile Conway South system connects the Conway hub with Kansas refineries and transports mixed NGLs from Conway, Kansas to Hobbs, Texas.

We also acquired a 98% ownership interest in E-Oaktree, LLC ("E-Oaktree"), owner of an 80% equity interest in Seminole Pipeline Company. The Seminole pipeline consists of a 1,281-mile NGL pipeline, with an average transportation volume of approximately 260 MBPD. This pipeline transports mixed NGLs and NGL products from Hobbs, Texas and the Permian Basin to Mont Belvieu, Texas.

These pipelines connect our Mont Belvieu and Gulf Coast NGL businesses with all of the major natural gas and NGL supply basins in North America, giving us the ability to provide integrated midstream energy services to the two fastest growing natural gas basins in the United States - the deepwater Gulf of Mexico and the Rocky Mountain Overthrust. Our predecessor and ultimate parent, Enterprise Products Company, was a charter partner in the formation and development of Seminole in 1981.

Mapletree and E-Oaktree intend to utilize the Mid-America and Seminole pipelines in a manner consistent with their previous use by Williams. The post-closing purchase price adjustments of the acquisitions are expected to be completed during the fourth quarter of 2002. These acquisitions do not require any material governmental approvals.

In order to fund this transaction, the Operating Partnership entered into a \$1.2 billion senior unsecured 364-day credit facility. The loan will be repaid as follows: \$150 million due on December 31, 2002, \$450 million on March 31, 2003 and \$600 million on July 30, 2003. The lenders under this facility are Wachovia Bank, National Association; Lehman Brothers Bank, FSB; Lehman Commercial Paper Inc. and Royal Bank of Canada. As defined within the credit agreement, the loan will generally bear interest at either (i) the greater of (a) the Prime Rate or (b) the Federal Funds Effective Rate plus one-half percent or (ii) a Eurodollar rate, with any rate in effect being increased by an appropriate applicable margin. The credit agreement contains various affirmative and negative

covenants applicable to the Operating Partnership similar to those required under our Multi-Year and 364-Day Credit Facility agreements.

The \$1.2 billion term loan is guaranteed by Enterprise Products Partners L.P. through an unsecured guarantee. Our plans for permanent financing of this acquisition include the issuance of equity, including partnership equity for institutional investors, and debt in amounts which are consistent with our objective of maintaining our financial flexibility and investment grade balance sheet.

On August 1, 2002, Seminole had \$60 million in senior unsecured notes due in December 2005. The principal amount of these notes amortize by \$15 million each December 1 through 2005. In accordance with generally accepted accounting principles, this debt will be consolidated on our balance sheet because of our 98% controlling interest in E-Oaktree, which owns 80% of Seminole.

Related changes to the financial covenants of our Multi-Year and 364-Day Credit Facilities

On July 31, 2002, certain covenants of our Multi-Year and 364-Day Credit Facilities were further amended to allow for increased financial flexibility in light of the Mapletree and E-Oaktree acquisitions. As defined within the third amendment to each of these loan agreements (filed as an exhibit to this Form 8-K), the maximum ratio of Consolidated Indebtedness to Consolidated EBITDA allowed by our lenders was increased as follows from that noted in the second amendment issued in April 2002:

Changes made to the
Consolidated Indebtedness to Consolidated EBITDA Ratio

Calculation made for the rolling four-quarter period ending	Maximum Ratio Allowed	
	Old provisions under 2nd Amendment	New provisions under 3rd Amendment
September 30, 2002	4.50 to 1.0	6.00 to 1.0
December 31, 2002	4.00 to 1.0	5.25 to 1.0
March 31, 2003	4.00 to 1.0	5.25 to 1.0
June 30, 2003	4.00 to 1.0	4.50 to 1.0
September 30, 2003 and for each rolling-four quarter period thereafter	4.00 to 1.0	4.00 to 1.0

In addition, the negative covenant on Indebtedness (as defined within the Multi-Year and 364-Day credit agreements) was amended to permit the Seminole indebtedness assumed in connection with the acquisition of E-Oaktree.

Item 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statements of business acquired.

Note: The audited financial statements for fiscal years ended December 31, 2001 and 2000 and for the six month periods ended June 30, 2002 and 2001 are not included in this report and will be filed by amendment on or prior to October 11, 2002.

(b) Pro forma financial information.

Note: Pro forma financial information for the Company and Operating Partnership giving effect to the Mapletree and E-Oaktree acquisitions are not included in this report and will be filed by amendment on or prior to October 11, 2002.

(c) Exhibits.

- 2.1 Purchase Agreement dated as of July 31, 2002 by and between E-Birchtree, LLC and E-Cypress, LLC.
- 2.2 Purchase Agreement dated as of July 31, 2002 by and between E-Birchtree, LLC and Enterprise Products Operating L.P.
- 4.1 Third Amendment and Supplement to Multi-Year Credit Facility dated July 31, 2002.
- 4.2 Third Amendment and Supplement to 364-Day Credit Facility dated July 31, 2002.
- 4.3 \$1.2 billion 364-Day Term Loan Credit Agreement among Enterprise Products Operating L.P.; Wachovia Bank, National Association, as administrative agent; Lehman Commercial Paper Inc., as co-syndication agent; and the Royal Bank of Canada, as co-syndication agent and arranger dated July 31, 2002.
- 4.4 Guaranty Agreement (relating to the \$1.2 billion 364-Day Term Loan Credit Agreement) by Enterprise Products Partners L.P. in favor of Wachovia Bank, National Association, as administrative agent dated July 31, 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ENTERPRISE PRODUCTS PARTNERS L.P.
ENTERPRISE PRODUCTS OPERATING L.P.

By: Enterprise Products GP, LLC, the general partner of the
Company and Operating Partnership

Date: August 12, 2002

By: /s/ Michael J. Knesek
Michael J. Knesek
Vice President, Controller, and
Principal Accounting Officer of
Enterprise Products GP, LLC

CREDIT AGREEMENT

dated as of

July 31, 2002

among

ENTERPRISE PRODUCTS OPERATING L.P.

The Lenders Party Hereto

WACHOVIA BANK, NATIONAL ASSOCIATION,

as Administrative Agent

and as a Lender

Lehman Commercial Paper Inc.,
as Co-Syndication Agent

and

Royal Bank of Canada,
as Co-Syndication Agent and Arranger

WACHOVIA SECURITIES, INC.

and

LEHMAN BROTHERS INC,
as Lead Arrangers and Joint Bookrunners

RBC CAPITAL MARKETS,
as Arranger

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- Schedule 2.01 -- Commitments
- Schedule 3.06 -- Disclosed Matters
- Schedule 3.12 -- Subsidiaries
- Schedule 6.01 -- Existing Indebtedness
- Schedule 6.06 -- Existing Restrictions

EXHIBITS:

- Exhibit A -- Form of Assignment and Acceptance
- Exhibit B -- Form of Borrowing Request
- Exhibit C -- Intentionally Omitted
- Exhibit D -- Form of Interest Election Request
- Exhibit E -- Form of Compliance Certificate
- Exhibit F-1 -- Form of Tranche A Note
- Exhibit F-2 -- Form of Tranche B Note

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CREDIT AGREEMENT dated as of July 31, 2002, among ENTERPRISE PRODUCTS OPERATING L.P., a Delaware limited partnership; the LENDERS party hereto; Lehman Commercial Paper Inc. and Royal Bank of Canada, as Co-Syndication Agents; and WACHOVIA BANK, NATIONAL ASSOCIATION, as Administrative Agent.

The parties hereto agree as follows:

ARTICLE I
Definitions

SECTION 1.01. ...Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"ABR", when used in reference to any Loan or Borrowing, refers to a Loan, or Loans, in the case of a Borrowing, which bear interest at a rate determined by reference to the Alternate Base Rate.

"Administrative Agent" means Wachovia Bank, National Association, in its capacity as administrative agent for the Lenders hereunder.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Agreement" means this Credit Agreement dated as of July 31, 2002, among Enterprise Products Operating L.P., a Delaware limited partnership; the Lenders party hereto; Lehman Commercial Paper Inc. and Royal Bank of Canada, as Co-Syndication Agents; and Wachovia Bank, National Association, as Administrative Agent, as amended, extended or otherwise modified from time to time.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day, and (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

"Applicable Percentage" means, with respect to any Lender, the percentage of the total Commitments represented by such Lender's Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

"Applicable Rate" means, for any day, with respect to any Eurodollar Loan, ABR Loan, or with respect to the facility fees payable hereunder, as the case may be, the applicable rate per annum set forth below under the caption "Eurodollar Spread", "ABR Spread" or "Facility Fee Rate", as the case may be, based upon

the ratings by Moody's and S and P, respectively, applicable on such date to the Index Debt:

Index Debt Ratings: (Moody's/S and P)	Eurodollar Spread	ABR Spread	Facility Fee Rate
Category 1 >or=Baa2/BBB	0.750%	0.125%	0.125%
Category 2 >or=Baa3/BBB-	0.950%	0.125%	0.175%
Category 3 less than Baa3/BBB-	1.175%	0.125%	0.200%

For purposes of the foregoing, (a) if either Moody's or S and P shall not have in effect a rating for the Index Debt (other than by reason of the circumstances referred to in the penultimate sentence of this definition), then such rating agency shall be deemed to have established a rating in the same Category as the other rating agency; (b) if the ratings established by Moody's and S and P for the Index Debt shall fall within different Categories, the Applicable Rate shall be based on the higher of the two ratings unless one of the two ratings is two or more Categories lower than the other, in which case the Applicable Rate shall be determined by reference to the Category one rating higher than the lower of the two ratings; and (c) if the ratings established or deemed to have been established by Moody's and SandP for the Index Debt shall be changed (other than as a result of a change in the rating system of Moody's or SandP), such change shall be effective as of the date on which it is first announced by the applicable rating agency. Each change in the Applicable Rate shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. If the rating system of Moody's or SandP shall change, or if either such rating agency shall cease to be in the business of rating corporate debt obligations, the Borrower and the Lenders shall negotiate in good faith to amend this definition to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Applicable Rate shall be determined by reference to the rating most recently in effect prior to such change or cessation. If, at any time or from time to time, at the end of any fiscal quarter the ratio of (i) Consolidated Indebtedness at the end of such fiscal quarter to (ii) Consolidated EBITDA for such fiscal quarter and the immediately preceding three fiscal quarters exceeds 4.50 to 1.0, then the Eurodollar Spread and the ABR Spread shall increase by .50% until the next succeeding fiscal quarter end at which such ratio does not exceed 4.50 to 1.0.

"Assignment and Acceptance" means an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

"Attributable Indebtedness" with respect to any Sale/Leaseback Transaction, means, as at the time of determination, the present value (discounted at the rate set forth or implicit in the terms of the lease included in such transaction) of the total obligations of the lessee for rental payments (other than amounts required to be paid on account of property taxes, maintenance, repairs, insurance, assessments,

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utilities, operating and labor costs and other items that do not constitute payments for property rights) during the remaining term of the lease included in such Sale/Leaseback Transaction (including any period for which such lease has been extended). In the case of any lease that is terminable by the lessee upon the payment of a penalty or other termination payment, such amount shall be the lesser of the amount determined assuming termination upon the first date such lease may be terminated (in which case the amount shall also include the amount of the penalty or termination payment, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the amount determined assuming no such termination.

"Birchtree" means E-Birchtree, LLC, a Delaware limited liability company.

"Birchtree LLC Agreement" means that certain limited liability company agreement of Birchtree dated as of July 31, 2002.

"Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Borrower" means Enterprise Products Operating L.P., a Delaware limited partnership.

"Borrower Purchase Agreement" means that certain Purchase Agreement dated as of July 31, 2002, between Birchtree and Borrower, whereby the latter agrees, subject to the terms and conditions therein stated, to purchase from the former (a) at least 95% but not more than 99% of the issued and outstanding Common Interest in Mapletree and (b) the entire issued and outstanding Special Equity Interest in Birchtree.

"Borrowing" means Loans of the same Type and Tranche, made, converted or continued on the same date and, in the case of Eurodollar Loans, as to which a single Interest Period is in effect.

"Borrowing Request" means a request by the Borrower for a Borrowing in accordance with Section 2.03, and being in the form of attached Exhibit B.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Eurodollar Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

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"CERCLA" means the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980, as amended.

"Change in Control" means Duncan shall cease to own, directly or indirectly, at least a majority (on a fully converted, fully diluted basis) of the economic interest in the capital stock of EPCO and/or EPCO shall cease to own, directly or indirectly, at least a majority (on a fully converted, fully diluted basis) of the membership interest of the General Partner.

"Change in Law" means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c) compliance by any Lender (or, for purposes of Section 2.15(b), by any lending office of such Lender or by such Lender's holding company, if any) with any

request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Commitment" means, with respect to each Lender, the sum of such Lender's Tranche A Term Loan Commitment and such Lender's Tranche B Loan Commitment. The initial aggregate amount of the Lenders' Commitments is \$1,200,000,000.

"Common Interest" means, with respect to any Person, the common Equity Interest in such Person.

"Common Units" means the common units of limited partner interests in the Limited Partner.

"Consolidated EBITDA" means for any period, the sum of (a) the consolidated net income of the Borrower and its consolidated Subsidiaries (excluding Project Finance Subsidiaries) for such period plus, to the extent deducted in determining consolidated net income for such period, the aggregate amount of (i) Consolidated Interest Expense, (ii) income tax expense and (iii) depreciation and amortization expense plus (b) the amount of cash dividends actually received during such period by the Borrower or a Subsidiary (other than a Project Finance Subsidiary) from a Project Finance Subsidiary plus (c) the amount of all payments during such period on leases of the type referred to in clause (d) of the definition herein of Indebtedness and the amount of all payments during such period under other off-balance sheet loans and financings of the type referred to in such clause (d); provided, however, for any four fiscal quarter period in which a fiscal quarter of fiscal year 2002 is included, up to \$50,000,000 in losses resulting from hedging natural gas liquids utilizing natural gas financial instruments entered into on or prior to April 24, 2002 shall be excluded from the calculation of Consolidated EBITDA for such four fiscal quarter period.

"Consolidated Indebtedness" means the Indebtedness of the Borrower and its consolidated Subsidiaries (excluding Project Finance Subsidiaries) including, without duplication, Guarantees of funded debt, determined on a consolidated basis as of such date.

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"Consolidated Interest Expense" means for any period, the interest expense of the Borrower and its consolidated Subsidiaries (excluding Project Finance Subsidiaries), determined on a consolidated basis for such period.

"Consolidated Net Tangible Assets" means, at any date of determination, the total amount of assets of the Limited Partner and its consolidated subsidiaries after deducting therefrom:

(a) all current liabilities (excluding (i) any current liabilities that by their terms are extendable or renewable at the option of the obligor thereon to a time more than 12 months after the time as of which the amount thereof is being computed, and (ii) current maturities of long-term debt); and

(b) the value (net of any applicable reserves) of all goodwill, trade names, trademarks, patents and other like intangible assets, all as set forth, or on a pro forma basis would be set forth, on the consolidated balance sheet of the Limited Partner and its consolidated subsidiaries for the Limited Partner's most recently completed fiscal quarter, prepared in accordance with GAAP.

"Consolidated Net Worth" means as to any Person, at any date of determination, the sum of preferred stock (if any), par value of common stock, capital in excess of par value of common stock, partners' capital or equity, and retained earnings, less treasury stock (if any), of such Person, all as determined on a consolidated basis.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Cypress" means E-Cypress, LLC, a Delaware limited liability company.

"Cypress LLC Agreement" means that certain limited liability company agreement of Cypress, dated as of July 31, 2002.

"Cypress Purchase Agreement" means that certain Purchase Agreement dated as of July 31, 2002, between Birchtree and Cypress, whereby the latter agrees, subject to the terms and conditions therein stated (including the expiration or termination of all applicable waiting periods and no adverse action having been taken under the HSR Act), to purchase from the former the entire issued and outstanding Common Interest in Oaktree.

"Default" means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Disclosed Matters" means the actions, suits and proceedings and the environmental matters disclosed in Schedule 3.06.

"dollars" or "\$" refers to lawful money of the United States of America.

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"Duncan" means, collectively, individually or in any combination, Dan L. Duncan, his wife, descendants, heirs and/or legatees and/or distributees of Dan L. Duncan's estate, and/or trusts established for the benefit of his wife, descendants, such legatees and/or distributees and/or their respective descendants, heirs, legatees and distributees.

"Environmental Laws" means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Material or to health and safety matters.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"EPCO" means Enterprise Products Company, a Texas corporation.

"Equity Interest" means shares of the capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity interests in any Person, or any warrants, options or other rights to acquire such interests.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

"ERISA Event" means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the existence with respect to any Plan of an "accumulated funding deficiency" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower or any ERISA Affiliate of any notice, concerning the imposition of

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Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Board, as in effect from time to time.

"Eurodollar", when used in reference to any Loan or Borrowing, refers to a Loan, or Loans, in the case of a Borrowing, which bear interest at a rate determined by reference to the LIBO Rate.

"Eurodollar Rate Reserve Percentage" of any Lender for any Interest Period for each Eurodollar Borrowing means the reserve percentage applicable during such Interest Period (or if more than one such percentage shall be so applicable, the daily average of such percentages for those days in such Interest Period during which any such percentage shall be so applicable) under regulations issued from time to time by the Board for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for such Lender with respect to liabilities or assets consisting of or including Eurocurrency Liabilities having a term equal to such Interest Period.

"Event of Default" has the meaning assigned to such term in Article VII.

"Excluded Taxes" means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America, by any state thereof or the District of Columbia or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located, (b) any branch profits taxes imposed by the United States of America, any state thereof or the District of Columbia or any similar tax imposed by any other jurisdiction in which the Borrower is located and (c) in the case of a Foreign Lender (other than an assignee pursuant to a request by the Borrower under Section 2.19(b)), any withholding tax that is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office) or is attributable to such Foreign Lender's failure to comply with Section 2.17(e).

"Existing Revolving Credit Facilities" means the Multi-Year Credit Facility and the 364-Day Facility.

"Exposure" means, with respect to any Lender at any time, the sum of the Tranche A Exposure and the Tranche B Exposure of such Lender at such time.

"Federal Funds Effective Rate" means, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

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"Final Investment" means the acquisition by Cypress of 98% of the issued and outstanding Common Interest in Oaktree from Birchtree pursuant to and in accordance with the Cypress Purchase Agreement.

"Financial Officer" means the chief financial officer, principal accounting officer, treasurer or controller of the Borrower.

"Foreign Lender" means any Lender that is organized under the laws of a jurisdiction other than the United States of America, any state thereof or the District of Columbia.

"GAAP" means generally accepted accounting principles in the United States of America.

"General Partner" means Enterprise Products GP, LLC, a Delaware limited liability company.

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

"Guaranty Agreement" means an agreement executed by the Limited Partner in form and substance satisfactory to the Administrative Agent guaranteeing, unconditionally, payment of any principal of or interest on the Loans or any other amount payable under this Agreement, when and as the same shall become due and

payable.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature, in each case regulated pursuant to any Environmental Law.

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"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for the repayment of money borrowed which are or should be shown on a balance sheet as debt in accordance with GAAP, (b) Capital Lease Obligations, (c) Guarantees of such Person of payment or collection of any obligations described in clauses (a) and (b) of other Persons; and (d) all obligations of such Person under any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing if the obligation under such synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing, as the case may be, is considered indebtedness for borrowed money for tax purposes but is classified as an operating lease in accordance with GAAP; provided, further, that the liability of any Person as a general partner of a partnership for Indebtedness of such partnership, if such partnership is not a subsidiary of such Person, shall not constitute Indebtedness.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Index Debt" means senior, unsecured, non-credit enhanced (except for any Guarantee by the Limited Partner) Indebtedness of the Borrower.

"Initial Investments" means and includes the acquisition by Borrower from Birchtree of (a) 98% of the issued and outstanding Common Interest in Mapletree and (b) the entire issued and outstanding Special Equity Interest in Birchtree, all pursuant to and in accordance with the Borrower Purchase Agreement.

"Interest Election Request" means a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.08, and being in the form of attached Exhibit D.

"Interest Payment Date" means (a) with respect to any ABR Loan, the last day of each March, June, September and December, and (b) with respect to any Eurodollar Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurodollar Borrowing with an Interest Period of more than three months' duration, the day that occurs three (3) months after the first day of such Interest Period.

"Interest Period" means, with respect to any Eurodollar Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, two, three or six months thereafter, as the Borrower may elect; provided, that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (b) any Interest Period pertaining to a Eurodollar Borrowing that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing

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initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Lenders" means the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to an Assignment and Acceptance, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Acceptance.

"LIBO Rate" means, with respect to any Eurodollar Borrowing for any Interest Period, (a) the rate per annum appearing on Page 3750 of the Bridge Telerate Service (formerly Dow Jones Market Service) (or on any successor or substitute page of such Service, or any successor to or substitute for such Service, providing rate quotations comparable to those currently provided on such page of such Service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period; (b) if for any reason the rate specified in clause (a) of this definition does not so appear on Page 3750 of the Bridge Telerate Service (or any successor or substitute page or any such successor to or substitute for such Service), the rate per annum appearing on Reuters Screen LIBO page (or any successor or substitute page) as the London interbank offered rate for deposits in dollars at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period for a maturity comparable to such Interest Period; and (c) if the rate specified in clause (a) of this definition does not so appear on Page 3750 of the Bridge Telerate Service (or any successor or substitute page or any such successor to or substitute for such Service) and if no rate specified in clause (b) of this definition so appears on Reuters Screen LIBO page (or any successor or substitute page), the average of the interest rates per annum at which dollar deposits of \$5,000,000 and for a maturity comparable to such Interest Period are offered by the respective principal London offices of the Reference Banks in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities. For avoidance of doubt, operating leases are not "Liens".

"Limited Partner" means Enterprise Products Partners L.P., a Delaware limited partnership, or any other Person that is the "Guarantor" as defined in the March 15, 2000 Indenture.

"LLC Agreements" means the MAPL LLC Agreement, the Mapletree LLC Agreement, the Oaktree LLC Agreement, the Birchtree LLC Agreement, and the Cypress LLC Agreement.

"Loans" means the Tranche A Term Loans and the Tranche B Term Loans.

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"MAPL LLC Agreement" means the limited liability company agreement of Mid-America.

"Mapletree" means Mapletree LLC, a Delaware limited liability company.

"Mapletree LLC Agreement" means that certain limited liability company agreement of

Mapletree, dated as of July 31, 2002.

"March 15, 2000 Indenture" means that certain Indenture dated as of March 15, 2000, among the Borrower, the Limited Partner and Wachovia Bank, National Association, as successor to First Union National Bank, as Trustee.

"Material Adverse Change" means a material adverse change, from that in effect on December 31, 2001, in the financial condition or results of operations of the Borrower and its consolidated Subsidiaries taken as a whole, as indicated in the most recent quarterly or annual financial statements.

"Material Adverse Effect" means a material adverse effect on financial condition or results of operations of the Borrower and its consolidated Subsidiaries taken as a whole, as indicated in the most recent quarterly or annual financial statements.

"Material Indebtedness" means Indebtedness (other than, in the case of the Borrower and the Limited Partner, the Loans), of any Person or group of Persons (other than, in the case of the Borrower, Project Finance Subsidiaries) in an aggregate principal amount exceeding \$25,000,000.

"Material Subsidiary" means (a) those Subsidiaries designated on Schedule 3.12 as Material Subsidiaries, and (b) each Subsidiary that, as of the last day of the fiscal year of the Borrower most recently ended prior to the relevant determination of Material Subsidiaries, has a net worth determined in accordance with GAAP that is greater than 10% of the Consolidated Net Worth of the Borrower as of such day.

"Maturity Date" means July 30, 2003.

"Mid-America" means Mid-America Pipeline Company, LLC, a Delaware limited liability company.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Multi-Year Credit Facility" means the multi-year credit facility of the Borrower under that certain Credit Agreement dated as of November 17, 2000, among the Borrower, Wachovia Bank, National Association, as successor to First Union National Bank, as Administrative Agent, Issuing Bank and Swingline Lender, and the lenders party thereto, together with any and all amendments and supplements thereto.

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"Other Taxes" means any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement.

"Oaktree" means E-Oaktree, LLC, a Delaware limited liability company.

"Oaktree LLC Agreement" means that certain limited liability company agreement of Oaktree, dated as of July 31, 2002.

"Partnership Agreement" means the Agreement of Limited Partnership of the Borrower among the General Partner and the Limited Partner substantially in the form provided to the Lenders, as amended, modified and supplemented from time to time.

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"Permitted Liens" means:

(a) liens upon rights-of-way for pipeline purposes;

(b) any statutory or governmental lien or lien arising by operation of law, or any mechanics', repairmen's, materialmen's, suppliers', carriers', landlords', warehousemen's or similar lien incurred in the ordinary course of business which is not yet due or which is being contested in good faith by appropriate proceedings and any undetermined lien which is incidental to construction, development, improvement or repair; or any right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or by any provision of law, to purchase or recapture or to designate a purchaser of, any property;

(c) liens for taxes and assessments which are (i) for the then current year, (ii) not at the time delinquent, or (iii) delinquent but the validity or amount of which is being contested at the time by the Borrower, any Subsidiary or the Limited Partner in good faith by appropriate proceedings;

(d) liens of, or to secure performance of, leases, other than capital leases, or any lien securing industrial development, pollution control or similar revenue bonds;

(e) any lien upon property or assets acquired or sold by the Borrower, any Subsidiary or the Limited Partner resulting from the exercise of any rights arising out of defaults on receivables;

(f) any lien in favor of the Borrower, any Subsidiary or the Limited Partner; or any lien upon any property or assets of the Borrower, any Subsidiary or the Limited Partner in existence on the date of the execution and delivery of the March 15, 2000 Indenture;

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(g) any lien in favor of the United States of America or any state thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any state thereof, to secure partial, progress, advance, or other payments pursuant to any contract or statute, or any debt incurred by the Borrower, any Subsidiary or the Limited Partner for the purpose of financing all or any part of the purchase price of, or the cost of constructing, developing, repairing or improving, the property or assets subject to such lien;

(h) any lien incurred in the ordinary course of business in connection with workmen's compensation, unemployment insurance, temporary disability, social security, retiree health or similar laws or regulations or to secure obligations imposed by statute or governmental regulations;

(i) liens in favor of any Person to secure obligations under provisions of any letters of credit, bank guarantees, bonds or surety obligations required or requested by any governmental authority in connection with any contract or statute; or any lien upon or deposits of any assets to secure performance of bids, trade contracts, leases or statutory obligations;

(j) any lien upon any property or assets created at the time of acquisition of such property or assets by the Borrower, any Subsidiary or the Limited Partner or within one year after such time to secure all or a portion of the purchase price for such property or assets or debt incurred to finance such purchase price, whether such debt was incurred prior to, at the time of or within one year

after the date of such acquisition; or any lien upon any property or assets to secure all or part of the cost of construction, development, repair or improvements thereon or to secure debt incurred prior to, at the time of, or within one year after completion of such construction, development, repair or improvements or the commencement of full operations thereof (whichever is later), to provide funds for any such purpose;

(k) any lien upon any property or assets existing thereon at the time of the acquisition thereof by the Borrower, any Subsidiary or the Limited Partner and any lien upon any property or assets of a Person existing thereon at the time such Person becomes a Subsidiary by acquisition, merger or otherwise; provided that, in each case, such lien only encumbers the property or assets so acquired or owned by such Person at the time such Person becomes a Subsidiary;

(l) liens imposed by law or order as a result of any proceeding before any court or regulatory body that is being contested in good faith, and liens which secure a judgment or other court-ordered award or settlement as to which the Borrower, the applicable Subsidiary or the Limited Partner has not exhausted its appellate rights;

(m) any extension, renewal, refinancing, refunding or replacement (or successive extensions, renewals, refinancing, refunding or replacements) of liens, in whole or in part, referred to in clauses (a) through (l) above; provided, however, that any such extension, renewal, refinancing, refunding or replacement lien shall be limited to the property or assets covered by the lien extended, renewed, refinanced, refunded or replaced and that the obligations secured by any such extension, renewal, refinancing, refunding or replacement lien shall be in an amount not greater than the amount of the obligations secured by the lien extended, renewed, refinanced, refunded or replaced and any expenses

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of the Borrower, its Subsidiaries and the Limited Partner (including any premium) incurred in connection with such extension, renewal, refinancing, refunding or replacement; or

(n) any lien resulting from the deposit of moneys or evidence of indebtedness in trust for the purpose of defeasing debt of the Borrower, any Subsidiary or the Limited Partner.

"Permitted Sale/Leaseback Transactions" means any Sale/Leaseback Transaction:

(a) which occurs within one year from the date of completion of the acquisition of the Principal Property subject thereto or the date of the completion of construction, development or substantial repair or improvement, or commencement of full operations on such Principal Property, whichever is later; or

(b) involves a lease for a period, including renewals, of not more than three years; or

(c) the Borrower, any Subsidiary or the Limited Partner would be entitled to incur Indebtedness, in a principal amount equal to the Attributable Indebtedness with respect to such Sale/Leaseback Transaction, secured by a Lien on the property subject to such Sale/Leaseback Transaction pursuant to Section 6.02 without equally and ratably securing the Indebtedness under this Agreement pursuant to such Section; or

(d) the Borrower, any Subsidiary or the Limited Partner, within a one-year period after such Sale-Leaseback Transaction, applies or causes to be applied an amount not less than the Attributable Indebtedness from such Sale-Leaseback Transaction to (i) the prepayment, repayment, redemption, reduction or retirement of any Indebtedness of the Borrower, any Subsidiary or the Limited Partner that is not subordinated to the Indebtedness under this Agreement, or (ii) the expenditure or expenditures for Principal Property used or to be used in the ordinary course of business of the Borrower, its Subsidiaries or the Limited Partner.

Notwithstanding the foregoing provisions of this definition, any Sale-Leaseback Transaction not covered by clauses (a) through (d), inclusive, of this definition, shall nonetheless be a Permitted Sale/Leaseback Transaction if the Attributable Indebtedness from such Sale-Leaseback Transaction, together with the aggregate principal amount of outstanding Indebtedness (other than Indebtedness under the Existing Credit Facilities and Indebtedness under the March 15, 2000 Indenture) secured by Liens other than Permitted Liens upon Principal Properties, does not exceed 10% of Consolidated Net Tangible Assets.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

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"Plan" means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by Wachovia Bank, National Association as its prime rate in effect at its principal office in Charlotte, North Carolina, each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

"Principal Property" means whether owned or leased on the date hereof or thereafter acquired:

(a) any pipeline assets of the Borrower, any Subsidiary or the Limited Partner, including any related facilities employed in the transportation, distribution, storage or marketing of refined petroleum products, natural gas liquids, and petrochemicals, that are located in the United States of America or any territory or political subdivision thereof; and

(b) any processing or manufacturing plant or terminal owned or leased by the Borrower, any Subsidiary or the Limited Partner that is located in the United States or any territory or political subdivision thereof;

except, in the case of either of the foregoing clauses (a) or (b):

(i) any such assets consisting of inventories, furniture, office fixtures and equipment (including data processing equipment), vehicles and equipment used on, or useful with, vehicles; and

(ii) any such assets, plant or terminal which, in the opinion of the Board of Directors (as defined in the March 15, 2000 Indenture), is not material in relation to the activities of the Borrower or of the Limited Partner and its subsidiaries taken as a whole.

"Program" means the buy-back program initiated by the Limited Partner whereby the Limited Partner or the Borrower may buy back up to the greater of (a) 1,000,000 publicly held Units or (b) the number of publicly held Units the aggregate purchase price of which is \$30,000,000.

"Project Financing" means Indebtedness incurred by a Project Finance Subsidiary to finance the acquisition or construction of any asset or project which Indebtedness does not permit or provide for recourse against the Borrower or any of its Subsidiaries (other than any Project Finance Subsidiary).

"Project Finance Subsidiaries" means a Subsidiary that is created principally to (a) construct or acquire any asset or project that will be or is financed solely with Project Financing for such asset or project, related equity investments and any loans to, or capital contributions in, such Subsidiary that

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are not prohibited hereby, (b) own an Equity Interest in a Project Finance Subsidiary, and/or (c) own an interest in any such asset or project.

"Purchase Agreements" means the Borrower Purchase Agreement and the Cypress Purchase Agreement.

"Reference Banks" means Wachovia Bank, National Association, JPMorgan Chase Bank and Citibank, N.A.

"Refusal Right" means any right of first refusal, right of first offer or similar right or privilege, whether conferred upon the holder thereof by contract, organic document of a business entity, law, equity or otherwise.

"Register" has the meaning set forth in Section 9.04.

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person's Affiliates.

"Required Lenders" means, at any time, Lenders having Exposures and unused Commitments representing at least 67% of the sum of the total Exposures and unused Commitments at such time.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any class of Equity Interests of the Borrower, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests of the Limited Partner or the Borrower or any option, warrant or other right to acquire any Equity Interests of the Limited Partner or the Borrower.

"Sale/Leaseback Transaction" means any arrangement with any Person providing for the leasing, under a lease that is not a capital lease under GAAP, by the Borrower, or a Subsidiary (other than a Project Finance Subsidiary) or the Limited Partner of any Principal Property, which property has been or is to be sold or transferred by the Borrower, such Subsidiary or the Limited Partner to such Person in contemplation of such leasing.

"Seller" means, collectively, Williams, WNGL and Birchtree.

"Seminole" means Seminole Pipeline Company, a Delaware corporation.

"Seminole Charter Documents" means the certificate of incorporation and bylaws of Seminole.

"Special Equity Interest" means, with respect to any Person, any Equity Interest in such Person ownership of which confers upon the holder thereof special rights not appertaining to other classes or series of Equity Interests in such Person.

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"S and P" means Standard and Poor's Ratings Group, a division of the McGraw-Hill Companies, Inc.

"Subordinated Units" means the subordinated units of limited partner interests in the Limited Partner.

"subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests, are, as of such date, owned, controlled or held by the parent and one or more subsidiaries of the parent.

"Subsidiary" means any subsidiary of the Borrower.

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

"Term Loans" means the term loans made pursuant to Section 2.02, and shall include both the Tranche A Term Loans and the Tranche B Term Loans.

"364-Day Facility" means the 364-day revolving credit facility of the Borrower under that certain Credit Agreement dated as of November 17, 2000, among the Borrower, Wachovia Bank, National Association, as successor to First Union National Bank, as Administrative Agent, and the lenders party thereto, together with any and all amendments and supplements thereto.

"Tranche", when used with respect to any Loan or Borrowing, refers to whether such Loan or Borrowing is one made on the Tranche A Effective Date or the Tranche B Effective Date.

"Tranche A Effective Date" means the date on which all of the conditions specified in Section 4.01 have been complied with or waived by all Lenders.

"Tranche A Exposure" means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender's Tranche A Term Loans at such time.

"Tranche A Term Loan Commitment" means, with respect to each Lender, the commitment of such Lender to make and maintain Tranche A Term Loans hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.09 and (b) reduced or increased from time to time by assignments by or to such Lender pursuant to Section 2.04. The initial amount of each Lender's Tranche A Term Loan Commitment is set forth on Schedule 2.01, or in the Assignment and Acceptance pursuant to which such Lender shall have assumed its Tranche A Term Loan Commitment, as applicable. The initial aggregate amount of the Lenders' Tranche A Term Loan Commitments is \$1,200,000,000.

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"Tranche A Term Loans" means Term Loans in an aggregate principal amount not exceeding

the aggregate Tranche A Term Loan Commitments of all Lenders made pursuant to Section 2.01(a).

"Tranche B Effective Date" means the date on which all of the conditions specified in Section 4.02 have been complied with or waived by all Lenders.

"Tranche B Exposure" means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender's Tranche B Term Loans at such time.

"Tranche B Term Loan Commitment" means, with respect to each Lender, the commitment of such Lender to make and maintain Tranche B Term Loans hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.09 and (b) reduced or increased from time to time by assignments by or to such Lender pursuant to Section 2.04. The initial aggregate amount of the Lenders' Tranche B Term Loan Commitments is an amount equal to \$1,200,000,000 less the amount of any funded portion of the Tranche A Term Loan Commitment, and the initial amount of each Lender's Tranche B Term Loan Commitment is such Lender's ratable share (in like proportion to the aggregate Tranche B Term Loan Commitments as such Lender's Tranche A Term Loan Commitment is to the aggregate Tranche A Term Loan Commitments).

"Tranche B Term Loans" means Term Loans in an aggregate principal amount not exceeding the aggregate Tranche B Term Loan Commitments of all Lenders made pursuant to Section 2.01(b).

"Transactions" means the execution, delivery and performance by the Borrower of this Agreement and by the Guarantor of the Guaranty Agreement, by Borrower of the Borrower Purchase Agreement and by Cypress of the Cypress Purchase Agreement, the borrowing of Loans and the use of the proceeds thereof to fund the Initial Investments and the Final Investment pursuant to and in accordance with the terms of such agreements.

"Type", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the LIBO Rate or the Alternate Base Rate.

"Units" means the collective reference to the Common Units and the Subordinated Units.

"Williams" means The Williams Companies, Inc., a Delaware corporation.

"WNG" means Williams Natural Gas Liquids, Inc., a Delaware corporation.

"Withdrawal Liability" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

SECTION 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans and Borrowings may be classified and referred to by Type (e.g., a "Eurodollar Loan" or a "Eurodollar

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Borrowing") or Tranche (e.g., a "Tranche A Term Loan" or a "Tranche A Borrowing").

SECTION 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

SECTION 1.04. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with (a) except for purposes of Section 6.07, GAAP, as in effect from time to time; provided that, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith; and (b) for purposes of Section 6.07, GAAP, as in effect on June 30, 2000.

ARTICLE II.

The Credits

SECTION 2.01. Tranche A Term Loans; Tranche B Term Loans. (a) Subject to the terms and conditions set forth herein, each Lender agrees to make a Tranche A Term Loan available to the Borrower on the Tranche A Effective Date in a principal amount equal to such Lender's Tranche A Term Loan Commitment.

(b) Subject to the terms and conditions set forth herein, each Lender agrees to make a Tranche B Term Loan to the Borrower on the Tranche B Effective Date in a principal amount equal to such Lender's Tranche B Term Loan Commitment.

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SECTION 2.02. Term Loans and Term Borrowings. (a) Each Term Loan shall be made, continued or converted as part of a Borrowing consisting of Tranche A Term Loans or Tranche B Term Loans made by the Lenders ratably in accordance with their respective Commitments in respect of Loans in the applicable Tranche. The failure of any Lender to make any Term Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make any Loan as required.

(b) Subject to Section 2.14, each Tranche A Borrowing and Tranche B Borrowing shall be comprised entirely of ABR Term Loans or Eurodollar Term Loans as the Borrower may request in accordance herewith. Each Lender at its option may make, continue or convert any Eurodollar Term Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000. At the time that each ABR Borrowing is made, continued or converted, such Borrowing shall be in an aggregate amount that is an integral multiple of \$500,000 and not less than \$1,000,000. Borrowings of more than one Type may be outstanding at the same time; provided that there shall not at any time be more than a total of six Eurodollar Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

SECTION 2.03. Requests for Borrowings. To request a Borrowing, the Borrower shall notify the Administrative Agent of such request by telephone (a) in the case of a Eurodollar Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of the proposed Borrowing or (b) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the date of the proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery or teletype to the Administrative Agent of a written Borrowing Request signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the aggregate amount of the requested Borrowing and whether the same is a Borrowing of Tranche A Term Loans or Tranche B Term Loans;
- (ii) the date of such Borrowing, which shall be a Business Day;
- (iii) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing;
- (iv) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and

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- (v) the location and number of the Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.07.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

SECTION 2.04. Intentionally Omitted.

SECTION 2.05. Intentionally Omitted.

SECTION 2.06. Intentionally Omitted.

SECTION 2.07. Funding of Borrowings. (a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 1:00 p.m., New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account designated by the Borrower in the applicable Borrowing Request.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate applicable to such Borrowing. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.08. Interest Elections. (a) Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders

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holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election by telephone by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery or teletype to the Administrative Agent of a written Interest Election Request signed by the Borrower.

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.02:

- (i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);
- (ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;
- (iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and
- (iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration, in the case of a Eurodollar Borrowing.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing.

Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

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SECTION 2.09. Termination and Reduction of Commitments. (a) Unless previously terminated, the Commitments shall terminate on the Maturity Date.

(b) The Borrower may at any time terminate, or from time to time reduce, the Tranche A Term Loan Commitments or the Tranche B Term Loan Commitments; provided that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 and (ii) the Borrower shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, the sum of the Tranche A Exposures would exceed the Tranche A Term Loan Commitments, the sum of the Tranche B Exposures would exceed the Tranche B Term Loan Commitments, or the sum of the Exposures would exceed the total Commitments.

(c) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; provided that a notice of termination of any Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of Commitments shall be permanent. Each reduction of the Tranche A Term Loan Commitments or Tranche B Term Loan Commitments shall be made ratably among the Lenders in accordance with their respective Commitments in respect of Loans of the applicable Tranche.

(d) The Commitments in respect of Loans of each Tranche shall permanently reduce in an amount equal to each payment or prepayment of Loans of such Tranche.

SECTION 2.10. Repayment of Loans; Evidence of Debt. (a) The Borrower hereby unconditionally agrees to pay to the Administrative Agent for the account of each Lender: (i) on December 31, 2002, so much of the Loans as will reduce the aggregate amount of the Loans outstanding on such date to \$1,050,000,000; (ii) on March 31, 2003, so much of the Loans as will reduce the aggregate amount of the Loans outstanding on such date to \$600,000,000, and (iii) on the Maturity Date, the entire then outstanding principal amount of the Loans. Amounts paid pursuant to this Section 2.10(a) shall be applied as provided in Section 2.11(d).

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Tranche and Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

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(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Tranche A Term Loans and/or Tranche B Term Loans made by it be evidenced by a promissory note. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note or notes payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in the form of note(s) attached hereto as Exhibit F-1 (for Tranche A Term Loans) or F-2 (for Tranche B Term Loans) as the case may be. Thereafter, the Loans evidenced by such promissory note(s) and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if any such promissory note is a registered note, to such payee and its registered assigns).

SECTION 2.11. Prepayment of Loans. (a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (b) of this Section and to the provisions of paragraph (d) of this Section.

(b) The Borrower shall notify the Administrative Agent by telephone (confirmed by telecopy) of any prepayment hereunder (i) in the case of prepayment of a Eurodollar Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of prepayment or (ii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$1,000,000 in the case of an ABR Borrowing, or \$3,000,000 in the case of a Eurodollar Borrowing. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.13.

(c) In addition, if at any time or from time to time while any Loans shall be outstanding the Borrower, the Limited Partner or any Subsidiary of the Borrower or the Limited Partner shall effect any public or private offering of equity or debt securities (including any offering pursuant to Rule 144A of the Securities and Exchange Commission), or shall obtain any bank or similar financing in excess of \$100,000,000 (in one financing

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or a series of related financings), excluding refinancings of either of the Existing Credit Facilities that do not involve an increase in the aggregate available principal amount thereof, or shall sell, lease, transfer or otherwise dispose of any asset (other than in the ordinary course of business) having a fair market value in excess of \$1,000,000, or shall sell, transfer or otherwise dispose of any Equity Interest in any Subsidiary (including by reason of the exercise by any Person of a Refusal Right), then and in each such case the Borrower shall, forthwith upon receipt of the proceeds thereof by the Person offering such securities, or effecting such financing, or such sale, lease, transfer or other disposition, cause an amount equal to the excess of such

proceeds over expenses associated with such offering, financing, sale, lease, transfer or other disposition to be applied to the prepayment of such outstanding Loans until all outstanding Loans have been retired in full, and the provisions of paragraphs (b) and (d) of this Section shall apply.

(d) Amounts paid pursuant to Section 2.10(a), or prepaid pursuant to paragraph (a) or (c) of this Section 2.11, shall be applied ratably as between the Tranche A Term Loans and the Tranche B Term Loans and, within each Tranche, ratably as between the Loans of such Tranche held by the several Lenders, in each case in accordance with the respective outstanding principal amounts of such Loans and, in the case of amounts so prepaid, shall be credited against and reduce the payments required by Section 2.10(a) in the order of their respective maturities. Amounts so paid or prepaid may not be reborrowed, and the Commitments of each Tranche shall be commensurately and permanently reduced as provided in Section 2.09(d).

SECTION 2.12. Fees. (a) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a facility fee, which shall accrue at the Applicable Rate on the daily amount of the Commitment of such Lender (used or unused) during the period from and including the date of this Agreement to but excluding the date on which such Commitment terminates. Accrued facility fees shall be payable in arrears on the last day of March, June, September and December of each year and on the date on which the Commitments terminate, commencing on the first such date to occur after the date hereof. All facility fees shall be computed on the basis of a year of 365 days (or 366 days in any leap year) and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Administrative Agent.

(c) All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent for distribution, in the case of facility fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

SECTION 2.13. Interest. (a) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Eurodollar Borrowing shall bear interest at the LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

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(c) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans as provided in paragraph (a) of this Section.

(d) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and at the Maturity Date; provided that (i) interest accrued pursuant to paragraph (c) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan, accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion pursuant to Section 2.08 of any Eurodollar Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) All interest determined by reference to the LIBO Rate or clause (b) of the definition of Alternate Base Rate shall be computed on the basis of a year of 360 days, and all other interest shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate or LIBO Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

(f) The Borrower shall pay to each Lender, so long as such Lender shall be required under regulations of the Board to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency Liabilities, additional interest on the unpaid principal amount of each Borrowing of such Lender during such periods as such Borrowing is a Eurodollar Borrowing, from the date of such Borrowing until such principal amount is paid in full, at an interest rate per annum equal at all times to the remainder obtained by subtracting (i) the LIBO Rate for the Interest Period in effect for such Eurodollar Borrowing from (ii) the rate obtained by dividing such LIBO Rate by a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage of such Lender for such Interest Period. Such additional interest shall be determined by such Lender. The Borrower shall from time to time, within 15 days after demand (which demand shall be accompanied by a certificate comporting with the requirements set forth in Section 2.15(c)) by such Lender (with a copy of such demand and certificate to the Administrative Agent) pay to the Lender giving such notice such additional interest; provided, however, that the Borrower shall not be required to pay to such Lender any portion of such additional interest that accrued more than 90 days prior to any such demand, unless such additional interest was not determinable on the date that is 90 days prior to such demand.

SECTION 2.14. Alternate Rate of Interest. If prior to the commencement of any Interest Period for a Eurodollar Borrowing:

(a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the LIBO Rate, as applicable, for such Interest Period; or

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(b) the Administrative Agent is advised by the Required Lenders that the LIBO Rate, as applicable, for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone or telecopy as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective, and (ii) if any Borrowing Request requests a Eurodollar Borrowing, such Borrowing shall be made as an ABR Borrowing.

SECTION 2.15. Illegality; Increased Costs. (a) If any Change in Law shall make it unlawful or impossible for any Lender to make, maintain or fund its Eurodollar Loans, such Lender shall so notify the Administrative Agent. Upon receipt of such notice, the Administrative Agent shall immediately give notice thereof to the other Lenders and to the Borrower, whereupon until such Lender notifies the Borrower and the Administrative Agent that the circumstances giving rise to such suspension no longer exist, the obligation of such Lender to make Eurodollar Loans shall be suspended. If such Lender shall determine that it may not lawfully continue to maintain and fund any of its outstanding Eurodollar Loans to maturity and shall so specify in such notice, the Borrower shall immediately prepay (which prepayment shall not be subject to Section 2.11) in full the then outstanding principal amount of such Eurodollar Loans, together with the accrued interest thereon.

(b) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of,

deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in Section 2.13(f));

- (ii) impose on any Lender or the London interbank market any other condition affecting this Agreement or Eurodollar Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Loan (or of maintaining its obligation to make any such Loan) or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender, such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

- (c) If any Lender determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into

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consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

- (d) A certificate of a Lender setting forth, in reasonable detail showing the computation thereof, the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. Such certificate shall further certify that such Lender is making similar demands of its other similarly structured borrowers. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof, if such certificate complies herewith.

- (e) Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs or reductions incurred more than 90 days prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 90-day period referred to above shall be extended to include the period of retroactive effect thereof (to the extent that such period of retroactive effect is not already included in such 90-day period).

SECTION 2.16. Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default) other than as may be required pursuant to Section 2.11(c), (b) the conversion of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(b) and is revoked in accordance therewith), or (d) the assignment of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.19, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense (excluding loss of anticipated profits) attributable to such event. A certificate of any Lender setting forth, in reasonable detail showing the computation thereof, any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof, if such certificate complies herewith.

SECTION 2.17. Taxes. (a) Any and all payments by or on account of any obligation of the Borrower hereunder shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if the Borrower shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent or any Lender (as the case may be) receives an amount equal to the sum it would have received had no such

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deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

- (b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

- (c) The Borrower shall indemnify the Administrative Agent and each Lender within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority; provided that the Borrower shall not be required to indemnify or reimburse a Lender pursuant to this Section for any Indemnified Taxes or Other Taxes imposed or asserted more than 90 days prior to the date that such Lender notifies the Borrower of the Indemnified Taxes or Other Taxes imposed or asserted and of such Lender's intention to claim compensation therefor; provided further that, if the Indemnified Taxes or Other Taxes imposed or asserted giving rise to such claims are retroactive, then the 90-day period referred to above shall be extended to include the period of retroactive effect thereof (to the extent that such period of retroactive effect is not already included in such 90-day period). A certificate setting forth, in reasonable detail showing the computation thereof, the amount of such payment or liability delivered to the Borrower by a Lender or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

- (d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

- (e) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower as will permit such payments to be made without withholding or at such reduced rate.

- (f) Should any Lender or the Administrative Agent ever receive any refund, credit or deduction from any taxing authority to which such Lender or the Administrative Agent would not be entitled but for the payment by the Borrower of Taxes (it being understood that the decision as to whether or not to claim, and if claimed, as to the amount of any such refund, credit or deduction shall be made by such Lender or the Administrative Agent in its sole discretion), such Lender or the Administrative Agent, as the case may be, thereupon shall repay to the Borrower an amount with respect to such refund, credit or deduction equal to any net reduction in taxes actually

obtained by such Lender or the Administrative Agent, as the case may be, and determined by such Lender or the Administrative Agent, as the case may be, to be attributable to such refund, credit or deduction.

(g) Except for a request by the Borrower under Section 2.19(b), no Foreign Lender shall be entitled to the benefits of Sections 2.17(a) or 2.17(c) if withholding tax is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement or designates a new lending office.

SECTION 2.18. Payments Generally; Pro Rata Treatment; Sharing of Set-offs. (a) The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest or fees, or of amounts payable under Section 2.15, 2.16 or 2.17, or otherwise) prior to 1:00 p.m., New York City time, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 301 South College Street, Charlotte, North Carolina 28288-0608, except that payments pursuant to Sections 2.15, 2.16, 2.17 and 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal or of interest on any of its Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any

Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(e) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.07(b) or 2.18(d), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

SECTION 2.19. Mitigation Obligations; Replacement of Lenders. (a) If any Lender requests compensation under Section 2.15 or Section 2.13(f), or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.13(f), 2.15 or 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment. Lenders agree to use reasonable efforts to select lending offices which will minimize taxes and other costs and expenses for the Borrower.

(b) If any Lender requests compensation under Section 2.13(f) or Section 2.15, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, or if any Lender defaults in its obligation to fund Loans hereunder, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided

that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.13(f) or Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply. If any Lender refuses to assign and delegate all its interests, rights and obligations under this Agreement after the Borrower has required such Lender to do so as a result of a claim for compensation under Section 2.13(f) or Section 2.15 or payments required to be made pursuant to Section 2.17, such Lender shall not be entitled to receive such compensation or required payments.

Representations and Warranties

The Borrower represents and warrants to the Lenders that:

SECTION 3.01. Organization; Powers. Each of the Borrower and its Subsidiaries is duly formed, validly existing and (if applicable) in good standing (except, with respect to Subsidiaries (other than Material Subsidiaries), where the failure to be in good standing, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect) under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business in all material respects as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and (if applicable) is in good standing in, every jurisdiction where such qualification is required.

SECTION 3.02. Authorization; Enforceability. The Transactions are within the Borrower's partnership powers and have been duly authorized by all necessary partnership and, if required, partner action. This Agreement has been duly executed and delivered by or on behalf of the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

SECTION 3.03. Governmental Approvals; No Conflicts. The Transactions (a) do not (except, in the case of the Final Investment, for filing of notifications under the HSR Act which will be made on or prior to the Tranche B Effective Date) require any consent or approval of, registration or filing with, or any other action by or in respect of, any Governmental Authority, except such as have been obtained or made and are in full force and effect, (b) will not violate any law or regulation applicable to the Borrower or the limited partnership

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agreement, charter, by-laws or other organizational documents of the Borrower or any of its Subsidiaries or any order of any Governmental Authority to which the Borrower or any of its Subsidiaries is subject, (c) will not violate or result in a default under any material indenture, agreement or other instrument binding upon the Borrower or any of its Subsidiaries or its assets, or give rise to a right thereunder to require any payment to be made by the Borrower or any of its Subsidiaries, and (d) will not result in the creation or imposition of any Lien on any asset of the Borrower or any of its Subsidiaries that is prohibited hereby.

SECTION 3.04. Financial Condition; No Material Adverse Change. (a) The Borrower has heretofore furnished to the Lenders its audited consolidated and unaudited consolidating balance sheets of the Borrower and its consolidated Subsidiaries and the related audited consolidated (and, as to statements of income, unaudited consolidating) statements of income, equity and cash flow of the Borrower and its consolidated Subsidiaries (i) as of and for the fiscal year ended December 31, 2001, reported on by Deloitte and Touche, independent public accountants, and (ii) as of and for the fiscal quarter and the portion of the fiscal year ended March 31, 2002, certified by its chief financial officer. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Borrower and its consolidated Subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(b) No Material Adverse Change exists.

SECTION 3.05. Intentionally Omitted.

SECTION 3.06. Litigation and Environmental Matters. (a) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its Subsidiaries (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than the Disclosed Matters) or (ii) that involve this Agreement or the Transactions or any of them.

(b) Except for the Disclosed Matters and except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither the Borrower nor any of its Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

(c) Since the date of this Agreement, there has been no change in the status of the Disclosed Matters that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect.

SECTION 3.07. Compliance with Laws. Each of the Borrower and its Subsidiaries is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property, except where the

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failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. No Default has occurred and is continuing.

SECTION 3.08. Investment and Holding Company Status. Neither the Borrower nor any of its Subsidiaries is (a) an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940 or (b) a "holding company" as defined in, or subject to regulation under, the Public Utility Holding Company Act of 1935.

SECTION 3.09. Taxes. Each of the Borrower and its Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Borrower or such Subsidiary, as applicable, has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.10. ERISA. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect.

SECTION 3.11. Disclosure. No reports, financial statements, certificates or other information furnished by or on behalf of the Borrower to the Administrative Agent or any Lender in connection with the negotiation of this Agreement (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

SECTION 3.12. Subsidiaries. As of the date hereof and prior to the closing of the Initial Investments, Borrower has no Subsidiaries other than those listed on Schedule 3.12 hereto. As of the date hereof, Schedule 3.12 sets forth the jurisdiction of incorporation or organization of each such Subsidiary, the percentage of Borrower's ownership of the outstanding Equity Interests of each Subsidiary directly owned by Borrower, and the percentage of each Subsidiary's ownership of the outstanding Equity Interests of each other Subsidiary. On or before the Tranche A Effective Date Mapletree will have become the owner, beneficially and of record, of 100% of the issued and outstanding Equity Interests in Mid-America and Oaktree will have become the

owner, beneficially and of record, of 80% of the issued and outstanding Equity Interests in Seminole.

SECTION 3.13. Margin Stock. Neither the Borrower nor any Subsidiary is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation T, U or X of the Board of Governors of the Federal Reserve System), and no part of the proceeds of any Loan will be used to purchase or carry any margin stock in violation of said

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Regulation T, U or X or to extend credit to others for the purpose of purchasing or carrying margin stock in violation of said Regulation T, U or X.

ARTICLE IV.
Conditions

SECTION 4.01. Tranche A Effective Date. The obligations of the Lenders to make Tranche A Term Loans hereunder shall not become effective until the date on which each of the following conditions is satisfied (such date being the "Tranche A Effective Date"):

- (a) The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include telecopy transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.
- (b) The Administrative Agent shall have received favorable written opinions (addressed to the Administrative Agent and the Lenders and dated the Effective Date) of Richard H. Bachmann, Esq., Chief Legal Officer of the General Partner and the Limited Partner, and of Baker Botts L.L.P., special counsel to the General Partner, the Limited Partner and the Borrower, in form and substance reasonably satisfactory to the Administrative Agent and collectively covering such matters as the Administrative Agent may reasonably request, allocated between said counsel in a manner reasonably satisfactory to the Administrative Agent.
- (c) The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the formation and existence of the Borrower and the Limited Partner, the authorization of the Transactions and any other legal matters relating to the Borrower, this Agreement, the Purchase Agreements or the Transactions, all in form and substance reasonably satisfactory to the Administrative Agent and its counsel, and, with respect to the Limited Partner, the authorization of the Guaranty Agreement and any other legal matters relating to the Limited Partner.
- (d) (i) The Administrative Agent shall have received the Guaranty Agreement dated as of the date hereof, duly and validly executed by or on behalf of the Limited Partner. (ii) The Administrative Agent shall have received copies of the Purchase Agreements, duly and validly executed by the parties thereto and in form and substance satisfactory to the Administrative Agent. (iii) The closing of the Initial Investments under the Borrower Purchase Agreement shall take place (and the Initial Investments shall be consummated) substantially concurrently with the funding of the Tranche A Term Loans, no term or condition thereof shall have been amended or waived, or compliance therewith suspended or deferred in connection therewith, and the Administrative Agent shall have received a copy of each closing document or other instrument executed and delivered or to be executed and delivered pursuant to the Purchase Agreements or otherwise in connection therewith on or prior to the making of the Initial Investment thereunder), duly and validly executed (as applicable) by the party or parties thereto.

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- (e) The Administrative Agent shall have received copies of the LLC Agreements, the Seminole Charter Documents and all agreements executed in connection therewith, all in form and substance satisfactory to the Administrative Agent.
- (f) The Administrative Agent shall have received a certificate, dated the Effective Date and signed by the President, an Executive Vice President or a Financial Officer of the Borrower, confirming compliance with the conditions set forth in paragraphs (a) and (b) of Section 4.03.
- (g) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Tranche A Effective Date, including, to the extent invoiced one (1) day prior to closing, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder.
- (h) There shall not have been any disruption or adverse change in the financial or capital markets generally or in the market for loan syndications in particular, which the Administrative Agent, in its reasonable judgment, deems material.
- (i) The Lenders shall have received (i) the audited financial statements for the Borrower and its Subsidiaries for the period ended December 31, 2001 and Form 10-Q for the fiscal quarter ending March 31, 2002, (ii) financial statements for Seminole for each of the most recent three (3) fiscal years and for the fiscal quarter ending March 31, 2002, (iii) financial statements for Mid-America for each of the most recent two (2) fiscal years and for the fiscal quarter ending March 31, 2002, (iv) pro forma financial statements of the Limited Partner and the Borrower giving effect to the Transactions and (v) projections for the Limited Partner, the Borrower, Mid-America and Seminole, which projections are satisfactory to the Lenders.
- (j) All necessary governmental and third-party approvals, if any, required to be obtained by the Borrower, the Seller or any other Person in connection with the Transactions to be consummated on or prior to the Tranche A Effective Date and/or the closing of the Initial Investments shall have been obtained and remain in effect, and all applicable waiting periods shall have expired without any action being taken by any applicable authority.
- (k) Immediately prior to the closing of the Initial Investments the Index Debt of the Borrower shall be rated not less than BBB- by S and P and Baa3 by Moody's.
- (l) The Administrative Agent and the Lenders shall have received a copy of an opinion, of an independent investment banking firm or a qualified independent appraisal firm, in either case of recognized national standing, not affiliated with any party to this Agreement or with Williams or any of its Subsidiaries or Affiliates addressed to the board of directors of Williams, as to the fair value of the assets of Mid-America and Seminole underlying the Equity Interests to be transferred pursuant to the Purchase Agreements.
- (m) Mid-America shall have repaid or prepaid in full all Indebtedness outstanding, including, without limitation, Indebtedness outstanding under several Note Agreements respectively dated as of April 30, May 20, July 13, July 20 and November 20, 1992.

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- (n) The Administrative Agent shall have received copies of all material contracts between Mid-America and Williams or any of its subsidiaries, and each such contract shall be satisfactory in form and substance to it.
- (o) The Administrative Agent shall have received a flow of funds chart, including wire transfer instructions showing the flow of funds to WNGI.

(p) The Administrative Agent shall have received a list of all material contracts to which Seminole and Williams or any of its subsidiaries are expected to be a party on the Tranche B Effective Date.

The Administrative Agent shall notify the Borrower and the Lenders of the Tranche A Effective Date, and such notice shall be conclusive and binding.

SECTION 4.02. Tranche B Effective Date. The obligations of the Lenders to make Tranche B Term Loans hereunder shall not become effective until the date (on or after the Tranche A Effective Date) on which each of the following conditions is satisfied (such date being the "Tranche B Effective Date"):

(a) The Administrative Agent shall have received favorable written opinions (addressed to the Administrative Agent and the Lenders and dated the Tranche B Effective Date) of Richard H. Bachmann, Esq., Chief Legal Officer of the General Partner and the Limited Partner, and of Baker Botts L.L.P., special counsel to the General Partner, the Limited Partner and the Borrower, in form and substance reasonably satisfactory to the Administrative Agent and collectively covering such matters as the Administrative Agent may reasonably request, allocated between said counsel in a manner satisfactory to the Administrative Agent.

(b) The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the function and existence of the Borrower and the Limited Partner, the authorization of the Transactions and any other legal matters relating to the Borrower, the Limited Partner, this Agreement, the Purchase Agreement or the Transactions (or certificates updating the documents and certificates delivered on the Tranche A Effective Date pursuant to Section 4.01(c)), all in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

(c) The Administrative Agent shall have received a certificate, dated the Effective Date and signed by the President, an Executive Vice President or a Financial Officer of the Borrower, confirming compliance with the conditions set forth in paragraphs (a) and (b) of Section 4.03.

(d) The Final Investment under the Cypress Purchase Agreement shall take place (and the Final Investment shall be consummated) substantially concurrently with the Tranche B Term Loans, no term or condition thereof shall have been amended or waived, or compliance therewith suspended or deferred in connection therewith, and the Administrative Agent shall have received a copy of each closing document or other instrument executed and delivered or to be executed and delivered pursuant to the Cypress Purchase Agreement or otherwise in connection therewith on or prior to the making of the Final Investment thereunder, duly and validly executed (as applicable) by the party or parties thereto.

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(e) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Tranche B Effective Date, including, to the extent invoiced one (1) day prior to closing, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder.

(f) All necessary governmental and third-party approvals, if any, required to be obtained by the Borrower, the Seller or any other Person in connection with the Transactions to be consummated on or prior to the Tranche B Effective Date and/or the closing of the Final Investment shall have been obtained and remain in effect, and all applicable waiting periods shall have expired without any action being taken by any applicable authority. Without limiting the generality of the foregoing, all notifications required to be given by any Person pursuant to the HSR Act under or in connection with the Cypress Purchase Agreement or the transactions contemplated thereby shall have been given, and all applicable waiting periods shall have expired without any action (whether requesting further information, seeking to enjoin or otherwise interfere with the consummation of such transactions, or otherwise) having been taken by any applicable authority.

(g) The Administrative Agent shall have received copies of all material contracts between Seminole and Williams or any of its subsidiaries, and each such contract shall be satisfactory to it.

(h) The Administrative Agent shall have received a flow of funds chart, including wire transfer instructions showing the flow of funds to WNGI.

Notwithstanding any contrary provisions of Section 4.01 or this Section 4.02, if the conditions set forth in this Section 4.02 are satisfied on the Tranche A Effective Date, the Tranche A Effective Date shall also be the Tranche B Effective Date.

The Administrative Agent shall notify the Borrower and the Lenders of the Tranche B Effective Date, and such notice shall be conclusive and binding.

SECTION 4.03. Each Credit Event. The obligation of each Lender to make a Loan on the Tranche A Effective Date or the Tranche B Effective Date is subject to:

(a) The representations and warranties of the Borrower set forth in this Agreement shall be true and correct in all material respects on and as of such date; provided, however, if the Tranche A Effective Date and the Tranche B Effective Date are not the same date, the representation and warranty contained in Section 3.06(a)(ii) shall be amended to read: "(ii) that materially impairs or delays the ability of Birchtree to perform its obligations under the Cypress Purchase Agreement or to consummate the transactions contemplated thereby."

(b) At the time of and immediately after giving effect to the making of Loans on such date, no Default shall have occurred and be continuing.

ARTICLE V. Affirmative Covenants

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Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full, the Borrower covenants and agrees with the Lenders that:

SECTION 5.01. Financial Statements and Other Information. The Borrower will furnish, or cause to be furnished, to the Administrative Agent and each Lender:

(a) within 15 days after filing same with the Securities and Exchange Commission ("SEC"), copies of each annual report on Form 10-K, quarterly report on Form 10-Q and report on Form 8-K (or any successor or substitute forms) that the Limited Partner is required to file with the SEC pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, and any successor statute (the "Exchange Act");

(b) within 15 days after filing same with the SEC, copies of each annual report on Form 10-K, quarterly report on Form 10-Q and report on Form 8-K (or any successor or substitute forms) that the Borrower is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act;

(c) if the Borrower is not subject to the requirements of Section 13 or 15(d) of the Exchange Act and the Limited Partner owns direct subsidiaries (other than the Borrower and its Subsidiaries), promptly after becoming available and in any event within 105 days after the close of each fiscal year of the Borrower (i) the audited consolidated balance sheets of the Borrower and its consolidated Subsidiaries as at the end of such year and (ii) the audited consolidated statements of income, equity and cash flow of the Borrower and its consolidated

Subsidiaries for such year setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, which report shall be to the effect that such statements have been prepared in accordance with GAAP;

(d) if the Borrower is not subject to Section 13 or 15(d) of the Exchange Act and the Limited Partner owns direct subsidiaries (other than the Borrower and its Subsidiaries), promptly after their becoming available and in any event within 60 days after the close of each fiscal quarter of the Borrower, (i) the unaudited consolidated balance sheets of the Borrower and its consolidated Subsidiaries as at the end of such quarter and (ii) the unaudited consolidated statements of income, equity and cash flow of the Borrower for such quarter, setting forth in each case in comparative form the corresponding figures for the preceding fiscal year, all of the foregoing certified by a Financial Officer of the Borrower to have been prepared in accordance with GAAP subject to normal changes resulting from year-end adjustment and accompanied by a written discussion of the financial performance and operating results, including the major assets, of the Borrower for such quarter;

(e) within 60 days after the end of each fiscal quarter of each fiscal year of the Borrower, a certificate of a Financial Officer of the Borrower substantially in the form of Exhibit E (i) certifying as to whether a Default has occurred that is then continuing and, if a Default has occurred that is then continuing, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth in reasonable detail calculations demonstrating compliance with Section 6.07; and

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(f) not later than 60 days after the date hereof, the Borrower shall deliver or cause to be delivered to the Administrative Agent, a balance sheet and related statements of income, changes in equity and cash flows showing the financial condition of Mid-America as of each of December 31, 1999, December 31, 2000 and December 31, 2001 and the results of its operations during such years audited by a firm of independent public accountants of recognized national standing.

SECTION 5.02. Notices of Material Events. The Borrower will furnish to the Administrative Agent and each Lender prompt written notice of the following:

- (a) the occurrence of any Event of Default; and
- (b) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer or other executive officer of the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

SECTION 5.03. Existence; Conduct of Business. The Borrower will do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises material to the conduct of its business; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution not prohibited under Section 6.03.

SECTION 5.04. Purchase Agreement Information. The Borrower will furnish or cause to be furnished to the Administrative Agent a copy of all material written information delivered to the Borrower or any Subsidiary under the Borrower Purchase Agreement or the Cypress Purchase Agreement or any material agreement executed in connection therewith.

SECTION 5.05. Maintenance of Properties; Insurance. The Borrower will, and will cause each of its Subsidiaries to, (a) keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and (b) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

SECTION 5.06. Books and Records; Inspection Rights. The Borrower will, and will cause each of its Subsidiaries to, keep in accordance with GAAP proper books of record and account in which full, true and correct entries are made in all material respects of all dealings and transactions in relation to its business and activities. The Borrower will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent or any Lender, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested.

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SECTION 5.07. Compliance with Laws. The Borrower will, and will cause each of its Subsidiaries to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.08. Use of Proceeds. The proceeds of the Tranche A Term Loans will be used only to make the Initial Investments and to fund payment of transaction expenses and the proceeds of the Tranche B Term Loans will be used only to make the Final Investment and to fund payment of transaction expenses. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X.

SECTION 5.09. Environmental Matters. The Borrower has established and implemented, or will establish and implement, and will cause each of its Subsidiaries to establish and implement, such procedures as may be necessary to assure that any failure of the following does not have a Material Adverse Effect: (a) all property of the Borrower and its Subsidiaries and the operations conducted thereon are in compliance with and do not violate the requirements of any Environmental Laws, (b) no oil or solid wastes are disposed of or otherwise released on or to any property owned by the Borrower or its Subsidiaries except in compliance with Environmental Laws, (c) no Hazardous Materials will be released on or to any such property in a quantity equal to or exceeding that quantity which requires reporting pursuant to Section 103 of CERCLA, and (d) no oil or Hazardous Materials is released on or to any such property so as to pose an imminent and substantial endangerment to public health or welfare or the environment.

SECTION 5.10. ERISA Information. The Borrower will furnish to the Administrative Agent:

(a) within 15 Business Days after the institution of or the withdrawal or partial withdrawal by the Borrower, any Subsidiary or any ERISA Affiliate from any Multiemployer Plan, which would cause the Borrower, any Subsidiary or any ERISA Affiliate to incur withdrawal liability in excess of \$5,000,000 (in the aggregate for all such withdrawals), a written notice thereof signed by an executive officer of the Borrower stating the applicable details; and

(b) within 15 Business Days after an officer of the Borrower becomes aware of any material action at law or at equity brought against the Borrower, any of its Subsidiaries, any ERISA Affiliate, or any fiduciary of a Plan in connection with the administration of any Plan or the investment of assets thereunder, a written notice signed by an executive officer of the Borrower specifying the nature thereof and what action the Borrower is taking or proposes to take with respect thereto.

SECTION 5.11. Taxes. Pay and discharge, or cause to be paid and discharged, promptly or make, or

cause to be made, timely deposit of all taxes (including Federal Insurance Contribution Act) payments and withholding taxes), assessments and governmental charges or levies imposed upon the Borrower or any Subsidiary or upon the income or any property of the Borrower or any Subsidiary; provided, however, that neither the Borrower nor any Subsidiary shall be required to pay any such tax, assessment, charge, levy or claim if the

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amount, applicability or validity thereof shall currently be contested in good faith by appropriate proceedings diligently conducted by or on behalf of the Borrower or its Subsidiary, and if the Borrower or its Subsidiary shall have set up reserves therefor adequate under GAAP or if no Material Adverse Effect shall be occasioned by all such failures in the aggregate.

SECTION 5.12. Final Investment. Not later than one Business Day after satisfaction of the conditions described in the Cypress Purchase Agreement, Oaktree shall become a Subsidiary of the Borrower.

ARTICLE VI.
Negative Covenants

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full, the Borrower covenants and agrees with the Lenders that:

SECTION 6.01. Indebtedness. The Borrower will not permit any Subsidiary to create, incur or assume any Indebtedness, except:

(a) Indebtedness assumed by any Subsidiary in connection with its acquisition (whether by merger, consolidation or acquisition of all or substantially all of the assets) of another Person and Indebtedness refinancing (but not increasing) such Indebtedness, provided that at the time of and after giving effect to the incurrence or assumption of such Indebtedness or refinancing Indebtedness and the application of the proceeds thereof, as the case may be, the aggregate principal amount of all such Indebtedness, and of all Indebtedness previously incurred or assumed pursuant to this Section 6.01(a), and then outstanding, shall not exceed 75% of Consolidated EBITDA for the period of four full fiscal quarters of the Borrower and its Subsidiaries (and such Person on a pro forma basis) then most recently ended;

(b) Indebtedness of the Subsidiaries not otherwise permitted by this Section 6.01, provided that at the time of and after giving effect to the incurrence of such Indebtedness and the application of the proceeds thereof the aggregate principal amount of all such Indebtedness, and of all Indebtedness previously incurred pursuant to this Section 6.01(b), and then outstanding, shall not exceed 25% of Consolidated EBITDA for the period of four fiscal quarters of the Borrower and the Subsidiaries then most recently ended;

(c) Indebtedness of Project Finance Subsidiaries;

(d) intercompany Indebtedness;

(e) Indebtedness existing on the date hereof and set forth on Schedule 6.01, and Indebtedness of Seminole existing on the date Seminole becomes a Subsidiary of the Borrower, in an aggregate principal amount not exceeding \$60,000,000; and

(f) other unsecured Indebtedness in an aggregate principal amount not exceeding \$25,000,000 at any time outstanding;

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provided, however, that no Subsidiary (other than a Project Finance Subsidiary) shall create, incur or assume any Indebtedness pursuant to any provision of this Section 6.01 if an Event of Default shall have occurred and be continuing or would result from such creation, incurrence or assumption.

SECTION 6.02. Liens. The Borrower shall not, and shall not permit any Subsidiary (other than Project Finance Subsidiaries) or the Limited Partner to, create, assume, incur or suffer to exist any Lien, other than a Permitted Lien, on any Principal Property or upon any Equity Interests of the Borrower or any Subsidiary (other than Project Finance Subsidiaries) owning or leasing any Principal Property, now owned or hereafter acquired by the Borrower or such Subsidiary to secure any Indebtedness of the Borrower, the Limited Partner or any other Person (other than the Indebtedness under this Agreement), without in any such case making effective provision whereby any and all Indebtedness under this Agreement then outstanding will be secured by a Lien equally and ratably with, or prior to, such Indebtedness for so long as such Indebtedness shall be so secured. Notwithstanding the foregoing, the Borrower may, and may permit any Subsidiary (other than a Project Finance Subsidiary) and the Limited Partner to, create, assume, incur or suffer to exist any Lien upon any Principal Property to secure Indebtedness of the Borrower, the Limited Partner or any other Person (other than the Indebtedness under this Agreement), other than a Permitted Lien without securing the Indebtedness under this Agreement, provided that the aggregate principal amount of all Indebtedness then outstanding secured by such Lien and all similar Liens together with the aggregate amount of Attributable Indebtedness deemed to be outstanding in respect of all Sale/Leaseback Transactions (exclusive of any Permitted Sale/Leaseback Transactions), does not exceed 10% of Consolidated Net Tangible Assets.

SECTION 6.03. Fundamental Changes. The Borrower will not merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its assets, or all or substantially all of the Equity Interests of any of its Subsidiaries (other than Project Finance Subsidiaries) (in each case, whether now owned or hereafter acquired), or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing (i) any Person may merge into or consolidate with the Borrower in a transaction in which the Borrower is the surviving entity and (ii) Borrower may sell or otherwise dispose of all or any portion of the Equity Interests of any of its Subsidiaries.

SECTION 6.04. Investment Restriction. Neither the Borrower nor any Subsidiary (other than a Project Finance Subsidiary) will make investments in Project Finance Subsidiaries in excess of \$50,000,000 in the aggregate at any one time outstanding.

SECTION 6.05. Restricted Payments. The Borrower will not, and will not permit any of its Subsidiaries (other than Project Finance Subsidiaries) to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except as long as no Event of Default has occurred and is continuing or would result therefrom, (i) the Borrower and the Subsidiaries may make Restricted Payments necessary to fund the Program, (ii) the Borrower may make Restricted Payments from Available Cash (as defined in the Partnership Agreement) from Operating Surplus (as defined in the Partnership Agreement) cumulative from January 1, 1999 through the date of

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such Restricted Payment, and (iii) any Subsidiary may buy back any of its own Equity Interests; provided, that even if an Event of Default shall have occurred and is continuing, no Subsidiary shall be prohibited from upstreaming dividends or other payments to the Borrower or any Subsidiary (which is not a Project Finance Subsidiary) or making, in the case of any Subsidiary that is not wholly-owned (directly or indirectly) by the Borrower, ratable dividends or payments, as the case may be, to the other owners of Equity Interests in such

Subsidiary.

SECTION 6.06. Restrictive Agreements. The Borrower will not, and will not permit any of its Subsidiaries (other than Project Finance Subsidiaries) to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement with any Person, other than the Lenders pursuant hereto or restrictions or conditions existing on the date hereof and identified on Schedule 6.06, which prohibits, restricts or imposes any conditions upon the ability of any Subsidiary (other than Project Finance Subsidiaries) to (a) pay dividends or make other distributions or pay any Indebtedness owed to the Borrower or any Subsidiary, or (b) make subordinate loans or advances to or make other investments in the Borrower or any Subsidiary.

SECTION 6.07. Financial Condition Covenants.

(a) Minimum Net Worth. The Borrower will not permit its Consolidated Net Worth as of the last day of any fiscal quarter of the Borrower to be less than \$750,000,000.

(b) Ratio of Consolidated Indebtedness to Consolidated EBITDA. The Borrower shall not permit its ratio of Consolidated Indebtedness to Consolidated EBITDA for the four full fiscal quarters most recently ended to exceed (i) 6.00 to 1.0 as at September 30, 2002, (ii) 5.25 to 1.0 as at December 31, 2002, (iii) 5.25 to 1.0 as at March 31, 2003, (iv) 4.50 to 1.0 as at June 30, 2003 and (v) 4.00 to 1.0 as at the last day of any fiscal quarter ending thereafter. For purposes of calculating such ratio, the Project Finance Subsidiaries shall be disregarded. For purposes of this Section 6.07(b), if during any period of four fiscal quarters the Borrower or any Subsidiary acquires any Person (or any interest in any Person) or all or substantially all of the assets of any Person, the EBITDA attributable to such assets or an amount equal to the percentage of ownership of the Borrower in such Person times the EBITDA of such Person, for such period determined on a pro forma basis (which determination, in each case, shall be subject to approval of the Administrative Agent, not to be unreasonably withheld) may be included as Consolidated EBITDA for such period; provided that during the portion of such period that follows such acquisition, the computation in respect of the EBITDA of such Person or such assets, as the case may be, shall be made on the basis of actual (rather than pro forma) results.

ARTICLE VII.
Events of Default

If any of the following events ("Events of Default") shall occur:

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(a) the Borrower shall fail to pay any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under this Agreement, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five (5) Business Days;

(c) any representation or warranty made or deemed made by or on behalf of the Borrower, the Limited Partner or any Subsidiary in or in connection with this Agreement or any amendment or modification hereof or waiver hereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any amendment or modification hereof or waiver hereunder, shall prove to have been incorrect in any material respect when made or deemed made and such materiality is continuing;

(d) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02, 5.03 (with respect to the Borrower's existence), 5.08, 5.12 or in Article VI;

(e) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Article), and such failure shall continue unremedied for a period of 30 days (or 10 days in the case of Section 5.01(e)) after written notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender);

(f) the Borrower or any Material Subsidiary (other than Project Finance Subsidiaries) shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable subject to applicable grace periods;

(g) the Borrower or any of its Material Subsidiaries (other than Project Finance Subsidiaries) shall (i) fail to pay any principal of or premium or interest on any Material Indebtedness of the Borrower or such Material Subsidiary (as the case may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Material Indebtedness; or (ii) default in the observance or performance of any covenant or obligation contained in any agreement or instrument relating to any such Material Indebtedness that in substance is customarily considered a default in loan documents (in each case, other than a failure to pay specified in clause (i) of this subsection (g)) and such default shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect thereof is to accelerate the maturity of such Material Indebtedness or require such Material Indebtedness to be prepaid prior to the stated maturity thereof; for the avoidance of doubt the parties acknowledge and agree that any payment required to be made under a guaranty of payment or collection described in clause (c) of the definition of Indebtedness shall be due and payable at the time such payment is due and payable

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under the terms of such guaranty (taking into account any applicable grace period) and such payment shall be deemed not to have been accelerated or required to be prepaid prior to its stated maturity as a result of the obligation guaranteed having become due;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any Material Subsidiary (other than Project Finance Subsidiaries) or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequester, conservator or similar official for the Borrower or any Material Subsidiary (other than Project Finance Subsidiaries) or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) the Borrower or any Material Subsidiary (other than Project Finance Subsidiaries) shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequester, conservator or similar official for the Borrower or any Material Subsidiary (other than Project Finance Subsidiaries) or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j) the Borrower or any Material Subsidiary (other than Project Finance Subsidiaries) shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more judgments for the payment of money in an aggregate uninsured amount equal to or greater than \$25,000,000 shall be rendered against the Borrower, any Material Subsidiary (other than Project Finance

Subsidiaries) or any combination thereof and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the Borrower or any such Material Subsidiary to enforce any such judgment;

(l) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrower and its Subsidiaries in an aggregate amount exceeding (i) \$5,000,000 in any year or (ii) \$10,000,000 for all periods;

(m) the Limited Partner takes, suffers or permits to exist any of the events or conditions referred to in clauses (h), (i), (j) or (k) of this Article or if the section of the Guaranty Agreement that contains the payment obligation shall for any reason cease to be valid and binding on the Limited Partner or if the Limited partner shall so state in writing;

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(n) the General Partner takes, suffers or permits to exist any of the events or conditions referred to in clauses (h), (i) or (j) of this Article;

(o) a Change in Control shall occur;

(p) an "Event of Default" has occurred which is continuing under either of the Existing Credit Facilities; or

(q) any representation or warranty made or deemed made by or on behalf of the Seller or any of its subsidiaries in or in connection with the Borrower Purchase Agreement, the Cypress Purchase Agreement, or the Birchtree Term Loan Agreement or in any report, certificate, financial statement or other document furnished pursuant to or in connection with the Borrower Purchase Agreement or the Cypress Purchase Agreement shall prove to have been incorrect in any material respect when made or deemed made and such representation or warranty continues to be incorrect and, in the reasonable opinion of the Required Lenders, would have a Material Adverse Effect;

then, and in every such event (other than an event with respect to the Borrower described in clause (h) or (i) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent at the request of the Required Lenders shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; and in case of any event with respect to the Borrower described in clause (h) or (i) of this Article, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

ARTICLE VIII.
The Administrative Agent

Each of the Lenders hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto.

The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with

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the Borrower or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent hereunder.

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02), and (c) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable to the Lenders for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement, (ii) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

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Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders and the Borrower. Upon any such resignation, the Required Lenders shall have the right, with the Borrower's approval (which will not be unreasonably withheld), to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, with the Borrower's approval (which will not be unreasonably withheld), on behalf of the Lenders, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank and such bank, or its Affiliate, as applicable, shall have capital and surplus equal to or greater than \$500,000,000. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

ARTICLE IX.
Miscellaneous

SECTION 9.01. Notices. Except in the case of notices and other communications expressly permitted to be given by telephone, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(a) if to the Borrower, to it at 2727 North Loop West, 7th Floor, Houston, Texas 77008 (for delivery), Attention of Treasurer; P. O. Box 4324, Houston Texas 77210 (for mail) (Telecopy No. 713/880-6570);

(b) if to the Administrative Agent, to Wachovia Bank, National Association, 201 South College Street, CP23, Charlotte, North Carolina 28288-0608, Attention of Syndication Agency Services (Telecopy No. 704/383-0288), with a copy to Wachovia Securities, Inc., 1001 Fannin, Suite 2255, Houston, Texas 77002, Attention of Russell T. Clingman (Telecopy No. 713/650-6354); and

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(c) if to any other Lender, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

SECTION 9.02. Waivers; Amendments. (a) No failure or delay by the Administrative Agent or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default at the time.

(c) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders; provided that no such agreement shall

(i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the scheduled date of payment of the principal amount of any Loan or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender affected thereby, (iv) change Section 2.18(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) release the Limited Partner from any of its obligations under the Guaranty Agreement without the written consent of each Lender, or (vi) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent without the prior written consent of the Administrative Agent.

SECTION 9.03. Expenses; Indemnity; Damage Waiver. (a) The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, each Person that is a Lender on the Tranche A

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Effective Date and their respective Affiliates associated with the preparation, execution and delivery of and the syndication of the credit facilities provided for herein, including the reasonable fees, charges and disbursements of counsel, (ii) the reasonable out-of-pocket expenses of the Administrative Agent associated with the administration of this Agreement or any amendments, modifications or waivers of the provisions hereof (whether or not the transactions contemplated hereby or thereby shall be consummated) (including the reasonable fees, charges and disbursements of counsel, and (iii) all out-of-pocket expenses reasonably incurred during the existence of an Event of Default by the Administrative Agent or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section, or in connection with the Loans made, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) The Borrower shall indemnify the Administrative Agent and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder

or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or the use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available (x) to the extent that such losses, claims, damages, liabilities or related expenses resulted from the gross negligence or willful misconduct of such Indemnitee or any Related Party of such Indemnitee, or (y) in connection with disputes among or between the Administrative Agent, Lenders and/or their respective Related Parties.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent in its capacity as such.

(d) To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or the use of the proceeds thereof.

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(e) All amounts due under this Section shall be payable not later than 30 days after written demand therefor, and such demand to be in reasonable detail setting forth the basis for and method of calculation of such amounts.

SECTION 9.04. Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that (i) except in the case of an assignment to a Lender or an Affiliate of a Lender, each of the Borrower and the Administrative Agent must give their prior written consent to such assignment (which consent shall not be unreasonably withheld), (ii) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment, the amount of the Commitment of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, (iii) each partial assignment shall result in the assignee retaining a Commitment of not less than \$5,000,000 and shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, (iv) the parties (other than the Borrower) to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of \$3,500, (v) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire and (vi) no assignment to a Foreign Bank shall be made hereunder unless, at the time of such assignment, there is no withholding tax applicable with respect to such Foreign Lender for which the Borrower would be or become responsible under Section 2.17; and provided further that any consent of the Borrower otherwise required under this paragraph shall not be required if an Event of Default has occurred and is continuing. Subject to acceptance and recording thereof pursuant to paragraph (d) of this Section, from and after the effective date specified in each Assignment and Acceptance the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.03 as to matters occurring on or prior to date of assignment). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (e) of this Section.

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(c) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices in The City of New York a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Acceptance and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(e) Any Lender may, without the consent of the Borrower or the Administrative Agent, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant.

(f) A Participant shall not be entitled to receive any greater payment under Section 2.15 or 2.17 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A

Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.17 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.17(e) as though it were a Lender and has zero withholding at the time of participation.

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(g) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 9.05. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid and so long as the Commitments have not expired or terminated. The provisions of Sections 2.15, 2.16, 2.17 and 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.06. Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and any separate letter agreements with respect to fees payable to the Administrative Agent or any Lender or any Affiliate of any Lender constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 9.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.08. Right of Setoff. If an Event of Default shall have occurred and be continuing and the Required Lenders have directed the Administrative Agent to accelerate under Article VII, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of

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the Borrower against any of and all the obligations of the Borrower now or hereafter existing under this Agreement held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender may have.

SECTION 9.09. Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Borrower or its properties in the courts of any jurisdiction.

(c) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 9.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

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SECTION 9.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.12. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other

advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent or any Lender on a nonconfidential basis from a source other than the Borrower and its Related Parties. For the purposes of this Section, "Information" means all information received from the Borrower or any of its Affiliates relating to the Borrower, its Subsidiaries or their respective businesses or the Transactions, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Borrower.

SECTION 9.13. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together (to the extent lawful) with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

SECTION 9.14. Liability of General Partner. It is hereby understood and agreed that the General Partner shall have no personal liability, as general partner or otherwise, for the payment of any amount owing or to be owing hereunder.

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[Credit Agreement - Signature Page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

ENTERPRISE PRODUCTS OPERATING L.P.

By: Enterprise Products GP, LLC, General Partner

By: /s/ Michael A. Creel
Michael A. Creel
Executive Vice President

WACHOVIA BANK, NATIONAL ASSOCIATION, individually as a
Lender
and as Administrative Agent

By: /s/ Russell T. Clingman
Russell T. Clingman
Director

LEHMAN COMMERCIAL PAPER INC., individually as a Lender and
as a
Co-Syndication Agent

By: /s/ Michele Swanson
Name: Michele Swanson
Title: Authorized Signatory

LEHMAN BROTHERS BANK,
as a Lender

By: /s/ M.R. Milversted
Name: M.R. Milversted
Title: CFO

ROYAL BANK OF CANADA,
individually as a Lender and as a
Co-Syndication Agent

By: /s/ Lorne Gartner
Name: Lorne Gartner
Title: Vice President

Schedule 2.01 - Page 1
Schedule 2.01

COMMITMENTS

	Tranche A Commitments	Tranche B Commitments
Wachovia Bank, National Association	\$450,000,000	*
Lehman Commercial Paper Inc.	360,000,000	*
Lehman Bank Inc.	90,000,000	*
Royal Bank of Canada	300,000,000	*

* The Tranche B Commitment of each Lender is an amount equal to the Tranche A Commitment of such Lender less the amount of Tranche A Loans funded on the Tranche A Effective Date.

Schedule 2.01 - Page 1

Schedule 3.06 - Page 1
SCHEDULE 3.06

DISCLOSED MATTERS

None.

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SCHEDULE 3.12

SUBSIDIARIES

Name of Subsidiary	Type of Entity	Jurisdiction of Formation	Effective Ownership by the Borrower or A Subsidiary	Material Subsidiary
Cajun Pipeline Company, LLC	Limited Liability Company	Texas	Borrower - 100%	No
Chunchula Pipeline Company, LLC	Limited Liability Company	Texas	Borrower - 100%	No
Enterprise Products Texas Operating, L.P.	Limited Partnership	Texas	Borrower - 99%*	No
HSC Pipeline Partnership, L.P.	Limited Partnership	Texas	Borrower - 99%*	No
Propylene Pipeline Partnership, L.P.	Limited Partnership	Texas	Borrower - 99%*	No
Enterprise Lou-Tex Propylene Pipeline L.P.	Limited Partnership	Texas	Borrower - 99% Propylene Pipeline Partnership, L.P. - 1%	Yes
Sabine Propylene Pipeline L.P.	Limited Partnership	Texas	Borrower - 99% Propylene Pipeline Partnership, L.P. - 1%	No
Enterprise Lou-Tex NGL Pipeline L.P.	Limited Partnership	Texas	Borrower - 99% HSC Pipeline Partnership, L.P. - 1%	Yes
Sorrento Pipeline Company, LLC	Limited Liability Company	Texas	Borrower - 100%	Yes
Enterprise NGL Pipeline, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Enterprise Gas Processing, LLC	Limited Liability Company	Delaware	Borrower - 100%	Yes
Enterprise NGL Private Lines and Storage, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Enterprise Fractionation, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Enterprise Norco LLC	Limited Liability Company	Delaware	Enterprise Gas Processing, LLC - 100%	No
EPOLP 1999 Grantor Trust	Grantor Trust	Texas	Borrower - 100%	No
Venice Pipeline LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Grand Isle Pipeline LLC	Limited Liability Company	Delaware	Borrower - 100%	No

Name of Subsidiary	Type of Entity	Jurisdiction of Formation	Effective Ownership by the Borrower or A Subsidiary	Material Subsidiary
Moray Pipeline Company, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Enterprise Offshore Development, LLC	Limited Liability Company	Delaware	Moray Pipeline Company, LLC - 100%	No
Deep Gulf Development, LLC	Limited Liability Company	Delaware	Enterprise Offshore Development, LLC - 90%	No
Sailfish Pipeline Company, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Acadian Gas LLC	Limited Liability Company	Delaware	Borrower - 100%	Yes
Evangeline Gulf Coast Gas, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Cypress Gas Pipeline LLC	Limited Liability Company	Delaware	Borrower - 100%	No
MCN Pelican Transmission LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Acadian Acquisition, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Cypress Gas Marketing, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Acadian Consulting LLC	Limited Liability Company	Delaware	Borrower - 100%	No
TXO-Acadian Gas Pipeline, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
MCN Acadian Gas Pipeline, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
MCN Pelican Interstate Gas, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Tejas-Magnolia Energy, LLC	Limited Liability Company	Delaware	Borrower - 100%	No
Acadian Gas Pipeline System	General Partnership	Texas	Ponchatrain Natoural Gas System - 97% MCN-Pelican Interstate Gas, LLC - 3%	No
Calcasieu Gas Gathering System	General Partnership	Texas	Ponchatrain Natoural Gas System - 97% MCN-Pelican Interstate Gas, LLC - 3%	No
Neches Pipeline System	General Partnership	Texas	Ponchatrain Natoural Gas System - 97% MCN-Pelican Interstate Gas, LLC - 3%	No
Ponchatrain Natoural Gas System	General Partnership	Texas	Ponchatrain Natoural Gas System - 97% MCN-Pelican Interstate Gas, LLC - 3%	No

SCHEDULE 6.01

EXISTING INDEBTEDNESS OF SUBSIDIARIES

None.

SCHEDULE 6.06

EXISTING RESTRICTIONS

None.

EXHIBIT A

FORM OF

ASSIGNMENT AND ACCEPTANCE

Reference is made to the Credit Agreement dated as of July 31, 2002 (as amended and in effect on the date hereof, the "Credit Agreement"), among Enterprise Products Operating L.P., the Lenders named therein, the Co-Syndication Agents named therein, and Wachovia Bank, National Association, as Administrative Agent for the Lenders. Terms defined in the Credit Agreement are used herein with the same meanings.

The Assignor named herein sells and assigns, without recourse, to the Assignee named herein, and the Assignee hereby purchases and assumes, without recourse, from the Assignor, effective as of the Assignment Date set forth herein, the interests set forth herein (the "Assigned Interest") in the Assignor's rights and obligations under the Credit Agreement, including, without limitation, the interests set forth herein in the Commitment of the Assignor on the Assignment Date and Loans owing to the Assignor which are outstanding on the Assignment Date, held by the Assignor on the Assignment Date, but excluding accrued interest and fees to and excluding the Assignment Date. The Assignee hereby acknowledges receipt of a copy of the Credit Agreement. From and after the Assignment Date (i) the Assignee shall be a party to and be bound by the provisions of the Credit Agreement and, to the extent of the Assigned Interest, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent of the Assigned Interest, relinquish its rights and be released from its obligations under the Credit Agreement.

This Assignment and Acceptance is being delivered to the Administrative Agent together with (i)

if the Assignee is a Foreign Lender, any documentation required to be delivered by the Assignee pursuant to Section 2.17(e) of the Credit Agreement, duly completed and executed by the Assignee, and (ii) if the Assignee is not already a Lender under the Credit Agreement, an Administrative Questionnaire in the form supplied by the Administrative Agent, duly completed by the Assignee. The [Assignee/Assignor] shall pay the fee payable to the Administrative Agent pursuant to Section 9.04(b) of the Credit Agreement.

This Assignment and Acceptance shall be governed by and construed in accordance with the laws of the State of New York.

Date of Assignment:

Legal Name of Assignor:

Legal Name of Assignee:

Assignee's Address for Notices:

Effective Date of Assignment ("Assignment Date"):

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Facility	Principal Amount Assigned	Percentage Assigned of Facility/Commitment (set forth, to at least 8 decimals, as a percentage of the Facility and the aggregate Commitments of all Lenders thereunder)
Tranche A Commitment Assigned:	\$	%
Tranche B Commitment Assigned		
Tranche A Term Loans		
Tranche B Term Loans		

The terms set forth above are hereby agreed to:

[Name of Assignor] , as Assignor

By: _____
Name:
Title:

[Name of Assignee] , as Assignee

By: _____
Name:
Title:

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The undersigned hereby consent to the within assignment:

Enterprise Products Operating L.P.

Wachovia Bank, National Association,
as Administrative Agent

By: Enterprise Products GP, LLC,
General Partner

By: _____
Name:
Title:

By: _____
Name:
Title:

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EXHIBIT B

FORM OF BORROWING REQUEST

Dated _____

Wachovia Bank, National Association,
as Administrative Agent
One First Union Center, TW-10
301 South College Street
Charlotte, North Carolina 28288-0608
Attn: Syndication Agency Services

Ladies and Gentlemen:

This Borrowing Request is delivered to you by Enterprise Products Operating L.P. (the "Borrower"), a Delaware limited partnership, under Section 2.03 of the Credit Agreement dated as of July 31, 2002 (as restated, amended, modified, supplemented and in effect, the "Credit Agreement"), by and among the Borrower, the Lenders party thereto, Wachovia Bank, National Association, as Administrative Agent, and the Co-Syndication Agents named therein.

- 1.The Company hereby requests that the Lenders make a Tranche [A/B] Term Loan or Loans in the aggregate principal amount of \$_____ (the "Loan" or the "Loans").1
- 2.The Company hereby requests that the Loan or Loans be made on the following Business Day:2
- 3.The Company hereby requests that the Loan or Loans bear interest at the following interest rate, plus the Applicable Margin, as set forth below:

Type of Loan	Principal Component of Loan	Interest Rate	Interest Period (if applicable)	Maturity Date for Interest Period (if applicable)
--------------	-----------------------------	---------------	---------------------------------	---

- 1 Complete with an amount in accordance with Section 2.03 of the Credit Agreement.
- 2 Complete with a Business Day in accordance with Section 2.03 of the Credit Agreement

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Type of Loan	Principal Component of Loan	Interest Rate	Interest Period (if applicable)	Interest Period (if applicable)
--------------	--------------------------------	------------------	------------------------------------	------------------------------------

4.The Company hereby requests that the funds from the Loan or Loans be disbursed to the following bank account: _____.

5.After giving effect to the requested Loan, the sum of the Exposures outstanding as of the date hereof (including the requested Loans) does not exceed the maximum amount permitted to be outstanding pursuant to the terms of the Credit Agreement.

6.All of the conditions applicable to the Loans requested herein as set forth in the Credit Agreement have been satisfied as of the date hereof and will remain satisfied to the date of such Loans.

7.All capitalized undefined terms used herein have the meanings assigned thereto in the Credit Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Borrowing Request this ____ day of _____, _____.

ENTERPRISE PRODUCTS OPERATING L.P.

By: Enterprise Products GP, LLC, its General Partner

By: _____
Name: _____
Title: _____

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EXHIBIT C

INTENTIONALLY OMITTED

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EXHIBIT D

FORM OF
INTEREST ELECTION REQUEST

Dated _____

Wachovia Bank, National Association,
as Administrative Agent
One First Union Center, TW-10
301 South College Street
Charlotte, North Carolina 28288-0608
Attn: Syndication Agency Services

Ladies and Gentlemen:

This irrevocable Interest Election Request (the "Request") is delivered to you under Section 2.08 of the Credit Agreement dated as of July 31, 2002 (as restated, amended, modified, supplemented and in effect from time to time, the "Credit Agreement"), by and among Enterprise Products Operating L.P., a Delaware limited partnership (the "Company"), the Lenders party thereto (the "Lenders"), Wachovia Bank, National Association, as Administrative Agent, the Co-Syndication Agents named therein.

1. This Interest Election Request is submitted for the purpose of:

- (a) [Converting] [Continuing] a _____ Loan [into] [as] a _____ Loan.1
- (b) The aggregate outstanding principal balance of such Loan is \$_____.2
- (c) The last day of the current Interest Period for such Loan is _____.3
- (d) The principal amount of such Loan to be [converted] [continued] is \$_____.4
- (e) The requested effective date of the [conversion] [continuation] of such Loan is _____.5
- (f) The requested Interest Period applicable to the [converted] [continued] Loan is _____.

- 1 Delete the bracketed language and insert "Alternate Base Rate", as applicable in each blank.
- 2 Insert applicable date for any Eurodollar Loan being converted or continued.
- 3 Complete with an amount in compliance with Section 2.08 of the Credit Agreement.
- 4 Complete with a Business Day in compliance with Section 2.08 of the Credit Agreement.

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2. With respect to a Borrowing to be converted to or continued as a Eurodollar Borrowing, no Event of Default exists, and none will exist upon the conversion or continuation of the Borrowing requested herein.

3. All capitalized undefined terms used herein have the meanings assigned thereto in the Credit Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Interest Election Request this ____ day of _____, _____.

ENTERPRISE PRODUCTS OPERATING L.P.

By: Enterprise Products GP, LLC, its General Partner

By: _____
Name: _____
Title: _____

5 Complete for each Eurodollar Loan in compliance with the definition of the term "Interest Period" specified in Section 1.01.

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EXHIBIT E

FORM OF COMPLIANCE CERTIFICATE

The undersigned hereby certifies that he is the _____ of ENTERPRISE PRODUCTS GP, LLC, a Delaware limited liability company, general partner of ENTERPRISE PRODUCTS OPERATING L.P., a Delaware limited partnership (the "Borrower"), and that as such he is authorized to execute this certificate on behalf of the Borrower. With reference to the Credit Agreement dated as of July 31, 2002 (as restated, amended, modified, supplemented and in effect from time to time, the "Agreement"), among the Borrower, the Co-Syndication Agents and Wachovia Bank, National Association, as Administrative Agent, for the lenders (the "Lenders"), which are or become a party thereto, and such Lenders, the undersigned represents and warrants as follows (each capitalized term used herein having the same meaning given to it in the Agreement unless otherwise specified);

- (a) [There currently does not exist any Default under the Agreement.] [Attached hereto is a schedule specifying the details of [a] certain Default[s] which exist under the Agreement and the action taken or proposed to be taken with respect thereto.]
- (b) Attached hereto are the detailed computations necessary to determine whether the Borrower is in compliance with Sections 6.07(a) and (b) of the Agreement as of the end of the [fiscal quarter][fiscal year] ending _____.

EXECUTED AND DELIVERED this ____ day of _____, 20__.

ENTERPRISE PRODUCTS OPERATING L.P.

By: Enterprise Products GP, LLC, its General Partner

By: _____
Name: _____
Title: _____

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EXHIBIT F-1

FORM OF
TRANCHE A TERM NOTE

\$ _____, 200__

ENTERPRISE PRODUCTS OPERATING L.P., a Delaware limited partnership (the "Borrower"), for value received, promises and agrees to pay to _____ (the "Lender"), or order, at the payment office of WACHOVIA BANK, NATIONAL ASSOCIATION, as Administrative Agent, at 301 South College Street, Charlotte, North Carolina 28288-0608, the principal sum of _____ AND NO/100 DOLLARS (\$ _____), or such lesser amount as shall equal the aggregate unpaid principal amount of the Loans owed to the Lender under the Credit Agreement, as hereafter defined, in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount as provided in the Credit Agreement for such Loans, at such office, in like money and funds, for the period commencing on the date of each such Loan until such Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement.

This note evidences the Loans owed to the Lender under that certain Credit Agreement dated as of July 31, 2002, by and among the Borrower, Wachovia Bank, National Association, individually and as Administrative Agent, the Co-Syndication Agents named therein and the other financial institutions parties thereto (including the Lender) (such Credit Agreement, together with all amendments or supplements thereto, being the "Credit Agreement"), and shall be governed by the Credit Agreement. Capitalized terms used in this note and not defined in this note, but which are defined in the Credit Agreement, have the respective meanings herein as assigned to them in the Credit Agreement.

The Lender is hereby authorized by the Borrower to endorse on Schedule A (or a continuation thereof) attached to this note, the Type of each Loan owed to the Lender, the amount and date of each payment or prepayment of principal of each such Loan received by the Lender and the Interest Periods and interest rates applicable to each Loan, provided that any failure by the Lender to make any such endorsement shall not affect the obligations of the Borrower under the Credit Agreement or under this note in respect of such Loans.

This note may be held by the Lender for the account of its applicable lending office and, except as otherwise provided in the Credit Agreement, may be transferred from one lending office of the Lender to another lending office of the Lender from time to time as the Lender may determine.

Except only for any notices which are specifically required by the Credit Agreement, the Borrower and any and all co-makers, endorsers, guarantors and sureties severally waive notice (including but not limited to notice of intent to accelerate and notice of acceleration, notice of protest and notice of dishonor), demand,

PAGE F-1-1

presentment for payment, protest, diligence in collecting and the filing of suit for the purpose of fixing liability, and consent that the time of payment hereof may be extended and re-extended from time to time without notice to any of them. Each such person agrees that his, her or its liability on or with respect to this note shall not be affected by any release of or change in any guaranty or security at any time existing or by any failure to perfect or maintain perfection of any lien against or security interest in any such security or the partial or complete unenforceability of any guaranty or other surety obligation, in each case in whole or in part, with or without notice and before or after maturity.

The Credit Agreement provides for the acceleration of the maturity of this note upon the occurrence of certain events and for prepayment of Loans upon the terms and conditions specified therein. Reference is made to the Credit Agreement for all other pertinent purposes.

This note is issued pursuant to and is entitled to the benefits of the Credit Agreement.

It is hereby understood and agreed that Enterprise Products GP, LLC, the general partner of the Borrower, shall have no personal liability, as general partner or otherwise, for the payment of any amount owing or to be owing hereunder.

This note shall be construed in accordance with and be governed by the law of the State of New York and the United States of America from time to time in effect.

ENTERPRISE PRODUCTS OPERATING L.P.

By: Enterprise Products GP, LLC, General Partner

By: _____
Name: _____
Title: _____

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SCHEDULE A
TO
TRANCHE A TERM NOTE

This note evidences the Tranche A Term Loans owed to the Lender under the Credit Agreement, in the principal amount set forth below and the applicable Interest Periods and rates for each such Loan, subject to the payments of principal set forth below:

SCHEDULE
OF
LOANS AND PAYMENTS OF PRINCIPAL AND INTEREST

Date	Interest Period	Rate	Principal Amount of Loan	Amount of Principal Paid or Prepaid	Interest Paid	Balance of Loans	Notation Made by
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

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EXHIBIT F-2

FORM OF
TRANCHE B TERM NOTE

\$ _____, 200__

ENTERPRISE PRODUCTS OPERATING L.P., a Delaware limited partnership (the "Borrower"), for value received, promises and agrees to pay to _____ (the "Lender"), or order, at the payment office of WACHOVIA BANK, NATIONAL ASSOCIATION, as Administrative Agent, at 301 South College Street, Charlotte, North Carolina 28288-0608, the principal sum of _____ AND NO/100 DOLLARS (\$ _____), or such lesser amount as shall equal the aggregate unpaid principal amount of the Loans owed to the Lender under the Credit Agreement, as hereafter defined, in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount as provided in the Credit Agreement for such Loans, at such office, in like money and funds, for the period commencing on the date of each such Loan until such Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement.

This note evidences the Loans owed to the Lender under that certain Credit Agreement dated as of July

GUARANTY AGREEMENT

by

ENTERPRISE PRODUCTS PARTNERS L.P.

in favor of

WACHOVIA BANK, NATIONAL ASSOCIATION, as

Administrative Agent

Dated as of July 31, 2002

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GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT, dated as of July 31, 2002, by ENTERPRISE PRODUCTS PARTNERS L.P., a Delaware limited partnership ("Guarantor"), is in favor of WACHOVIA BANK, NATIONAL ASSOCIATION, as Administrative Agent (the "Agent") for the several lenders ("Lenders") that are or become parties to the Credit Agreement defined below.

W I T N E S S E T H:

WHEREAS, ENTERPRISE PRODUCTS OPERATING L.P., a Delaware limited partnership ("Borrower"), the Agent, the Co-Syndication Agents named therein and the Lenders have entered into that certain Credit Agreement dated as of July 31, 2002 (as the same may be amended, supplemented or otherwise modified from time to time, the "Credit Agreement"); and

WHEREAS, one of the terms and conditions stated in the Credit Agreement for the making of the loans described therein is the execution and delivery to the Agent for the benefit of the Lenders of this Guaranty Agreement;

NOW, THEREFORE, (i) in order to comply with the terms and conditions of the Credit Agreement, (ii) to induce the Lenders, at any time or from time to time, to loan monies, with or without security to or for the account of Borrower in accordance with the terms of the Credit Agreement, (iii) at the special insistence and request of the Lenders, and (iv) for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Guarantor hereby agrees as follows:

ARTICLE 1
General Terms

Section 1.1 Terms Defined Above. As used in this Guaranty Agreement, the terms "Agent", "Borrower", "Credit Agreement", "Guarantor" and "Lenders" shall have the meanings indicated above.

Section 1.2 Certain Definitions. As used in this Guaranty Agreement, the following terms shall have the following meanings, unless the context otherwise requires:

"Guarantor Claims" shall have the meaning indicated in Section 4.1 hereof.

"Guaranty Agreement" shall mean this Guaranty Agreement, as the same may from time to time be amended, supplemented, or otherwise modified.

"Liabilities" shall mean (a) any and all Indebtedness of Borrower pursuant to the Credit Agreement, including without limitation (i) the unpaid principal of and interest on the Loans, including without limitation, interest accruing subsequent to the filing of a petition or other action concerning bankruptcy or other similar proceeding, and (ii) any other amount owed by Borrower

under the Credit Agreement, and (b) all renewals, rearrangements, increases, extensions for any period, amendments, supplements,

exchanges or reissuances in whole or in part of the Indebtedness of Borrower under the Credit Agreement, or any other documents or instruments evidencing any of the above.

Section 1.3 Credit Agreement Definitions. Unless otherwise defined herein, all terms beginning with a capital letter which are defined in the Credit Agreement shall have the same meanings herein as therein.

ARTICLE 2
The Guaranty

Section 2.1 Liabilities Guaranteed. Guarantor hereby irrevocably and unconditionally guarantees in favor of the Agent for the benefit of the Lenders the prompt payment of the Liabilities when due, whether at maturity or otherwise.

Section 2.2 Nature of Guaranty. This Guaranty Agreement is an absolute, irrevocable, completed and continuing guaranty of payment and not a guaranty of collection, and no notice of the Liabilities or any extension of credit already or hereafter contracted by or extended to Borrower need be given to Guarantor. This Guaranty Agreement may not be revoked by Guarantor and shall continue to be effective with respect to debt under the Liabilities arising or created after any attempted revocation by Guarantor and shall remain in full force and effect until the Liabilities are paid in full and the Commitments are terminated, notwithstanding that from time to time prior thereto no Liabilities may be outstanding. Borrower and the Lenders may modify, alter, rearrange, extend for any period and/or renew from time to time the Liabilities, and the Lenders may waive any Default or Events of Default without notice to Guarantor and in such event Guarantor will remain fully bound hereunder on the Liabilities. This Guaranty Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any payment of the Liabilities is rescinded or must otherwise be returned by any of the Lenders upon the insolvency, bankruptcy or reorganization of Borrower or otherwise, all as though such payment had not been made. This Guaranty Agreement may be enforced by the Agent and any subsequent holder of any of the Liabilities and shall not be discharged by the assignment or negotiation of all or part of the Liabilities. Guarantor hereby expressly waives presentment, demand, notice of non-payment, protest and notice of protest and dishonor, notice of Default or Event of Default, notice of intent to accelerate the maturity and notice of acceleration of the maturity and any other notice in connection with the Liabilities, and also notice of acceptance of this Guaranty Agreement, acceptance on the part of the Agent for the benefit of the Lenders being conclusively presumed by the Lenders' request for this Guaranty Agreement and delivery of the same to the Agent.

Section 2.3 Agent's Rights. Guarantor authorizes the Agent, without notice or demand and without affecting Guarantor's liability hereunder, to take and hold security for the payment of this Guaranty Agreement and/or the Liabilities, and exchange, enforce, waive and release any such security; and to apply such security and direct the order or manner of sale thereof as the Agent in its discretion may determine; and to obtain a guaranty of the Liabilities from any one or more Persons and at any time or times to enforce, waive, rearrange, modify, limit or release any of such other Persons from their obligations under such guaranties.

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Section 2.4 Guarantor's Waivers.

- (a) General. Guarantor waives any right to require any of the Lenders to (i) proceed against Borrower or any other person liable on the Liabilities, (ii) enforce any of their rights against any other guarantor of the Liabilities, (iii) proceed or enforce any of their rights against or exhaust any security given to secure the Liabilities, (iv) have Borrower joined with Guarantor in any suit arising out of this Guaranty Agreement and/or the Liabilities, or (v) pursue any other remedy in the Lenders' powers whatsoever. Except as provided in the Credit Agreement, the Lenders shall not be required to mitigate damages or take any action to reduce, collect or enforce the Liabilities, and the failure to so mitigate or take any such action shall not release Guarantor from this Guaranty Agreement. Guarantor waives any defense arising by reason of any disability, lack of partnership authority or power, or other defense of Borrower or any other guarantor of the Liabilities, and shall remain liable hereon regardless of whether Borrower or any other guarantor be found not liable thereon for any reason. Whether and when to exercise any of the remedies of the Lenders under the Credit Agreement shall be in the sole and absolute discretion of the Agent, and no delay by the Agent in enforcing any remedy, including delay in conducting a foreclosure sale, shall be a defense to Guarantor's liability under this Guaranty Agreement. To the extent allowed by applicable law, Guarantor hereby waives any good faith duty on the part of the Agent in exercising any remedies provided in the Credit Agreement.
- (b) Subrogation. Until the Liabilities have been indefeasibly paid in full in cash, Guarantor agrees that it shall not exercise any rights of subrogation or reimbursement against Borrower, whether arising by contract or operation of law (including, without limitation, any such right arising under any federal or state bankruptcy or insolvency laws) and shall not exercise any right to enforce any remedy which the Lenders now have or may hereafter have against Borrower, and defers any benefit or any right to participate in any security now or hereafter held by the Agent or any Lender.

Section 2.5 Maturity of Liabilities; Payment. Guarantor agrees that if the maturity of any of the Liabilities is accelerated by bankruptcy or otherwise, such maturity shall also be deemed accelerated for the purpose of this Guaranty Agreement without demand or notice to Guarantor. Guarantor will, forthwith upon notice from the Agent, pay to the Agent the amount due and unpaid by Borrower and guaranteed hereby. The failure of the Agent to give this notice shall not in any way release Guarantor hereunder.

Section 2.6 Agent's Expenses. If Guarantor fails to pay the Liabilities after notice from the Agent of Borrower's failure to pay any Liabilities at maturity, and if the Agent obtains the services of an attorney for collection of amounts owing by Guarantor hereunder, or obtaining advice of counsel in respect of any of its rights under this Guaranty Agreement, or if suit is filed to enforce this Guaranty Agreement, or if proceedings are had in any bankruptcy, receivership or other judicial proceedings for the establishment or collection of any amount owing by Guarantor hereunder, or if any amount owing by Guarantor hereunder is collected through such proceedings, Guarantor agrees to pay to the Agent the Agent's reasonable attorneys' fees.

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Section 2.7 Liability. It is expressly agreed that the liability of Guarantor for the payment of the Liabilities guaranteed hereby shall be primary and not secondary.

Section 2.8 Events and Circumstances Not Reducing or Discharging Guarantor's Obligations. Guarantor hereby consents and agrees to each of the following to the fullest extent permitted by law, and to such extent agrees that Guarantor's obligations under this Guaranty Agreement shall not be released, diminished, impaired, reduced or adversely affected by any of the following and waives any rights (including without limitation rights to notice) which Guarantor might otherwise have as a result of or in connection with any of the following:

- (a) Modifications, etc. Any renewal, extension, modification, increase, decrease, alteration, rearrangement, exchange or reissuance of all or any part of the Liabilities, or of the Credit Agreement or any instrument executed in connection therewith, or any contract or understanding between Borrower and any of the Lenders, or any other Person, pertaining to the Liabilities;
- (b) Adjustment, etc. Any adjustment, indulgence, forbearance or compromise that might be granted or given by any of the Lenders to Borrower or Guarantor or any Person liable on the Liabilities;
- (c) Condition of Borrower or Guarantor. The insolvency, bankruptcy arrangement, adjustment, composition, liquidation, disability, dissolution, death or lack of power of Borrower or Guarantor or any other Person at any time liable for the payment of all or part of the Liabilities; or any dissolution of Borrower or Guarantor, or any sale, lease or transfer of any or all of the assets of Borrower or Guarantor, or any changes in the shareholders, partners, or members of Borrower or Guarantor; or any reorganization of Borrower or Guarantor;

- (d) Invalidity of Liabilities. The invalidity, illegality or unenforceability of all or any part of the Liabilities, or any document or agreement executed in connection with the Liabilities, for any reason whatsoever, including without limitation the fact that the Liabilities, or any part thereof, exceed the amount permitted by law, the act of creating the Liabilities or any part thereof is ultra vires, the officers or representatives executing the documents or otherwise creating the Liabilities acted in excess of their authority, the Liabilities violate applicable usury laws, Borrower has valid defenses, claims or offsets (whether at law, in equity or by agreement) which render the Liabilities wholly or partially uncollectible from Borrower, the creation, performance or repayment of the Liabilities (or the execution, delivery and performance of any document or instrument representing part of the Liabilities or executed in connection with the Liabilities, or given to secure the repayment of the Liabilities) is illegal, uncollectible, legally impossible or unenforceable, or the Credit Agreement or other documents or instruments pertaining to the Liabilities have been forged or otherwise are irregular or not genuine or authentic;
- (e) Release of Obligors. Any full or partial release of the liability of Borrower on the Liabilities or any part thereof, of any co-guarantors, or any other Person now or hereafter liable, whether directly or indirectly, jointly, severally, or jointly and severally, to pay, perform, guarantee or assure the payment of the Liabilities or any part

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thereof, it being recognized, acknowledged and agreed by Guarantor that Guarantor may be required to pay the Liabilities in full without assistance or support of any other Person, and Guarantor has not been induced to enter into this Guaranty Agreement on the basis of a contemplation, belief, understanding or agreement that other parties other than Borrower will be liable to perform the Liabilities, or the Lenders will look to other parties to perform the Liabilities;

- (f) Other Security. The taking or accepting of any other security, collateral or guaranty, or other assurance of payment, for all or any part of the Liabilities;
- (g) Release of Collateral, etc. Any release, surrender, exchange, subordination, deterioration, waste, loss or impairment (including without limitation negligent, willful, unreasonable or unjustifiable impairment) of any collateral, property or security, at any time existing in connection with, or assuring or securing payment of, all or any part of the Liabilities;
- (h) Care and Diligence. The failure of the Lenders or any other Person to exercise diligence or reasonable care in the preservation, protection, enforcement, sale or other handling or treatment of all or any part of such collateral, property or security;
- (i) Status of Liens. The fact that any collateral, security, security interest or lien contemplated or intended to be given, created or granted as security for the repayment of the Liabilities shall not be properly perfected or created, or shall prove to be unenforceable or subordinate to any other security interest or lien, it being recognized and agreed by Guarantor that Guarantor is not entering into this Guaranty Agreement in reliance on, or in contemplation of the benefits of, the validity, enforceability, collectibility or value of any collateral for the Liabilities;
- (j) Payments Rescinded. Any payment by Borrower to the Lenders is held to constitute a preference under the bankruptcy laws, or for any reason the Lenders are required to refund such payment or pay such amount to Borrower or someone else; or
- (k) Other Actions Taken or Omitted. Any other action taken or omitted to be taken with respect to the Credit Agreement, the Liabilities, or the security and collateral therefor, whether or not such action or omission prejudices Guarantor or increases the likelihood that Guarantor will be required to pay the Liabilities pursuant to the terms hereof; it being the unambiguous and unequivocal intention of Guarantor that Guarantor shall be obligated to pay the Liabilities when due, notwithstanding any occurrence, circumstance, event, action, or omission whatsoever, whether contemplated or un contemplated, and whether or not otherwise or particularly described herein, except for the full and final payment and satisfaction of the Liabilities.

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ARTICLE 3 Representations and Warranties

Section 3.1 By Guarantor. In order to induce the Lenders to accept this Guaranty Agreement, Guarantor represents and warrants to the Lenders (which representations and warranties will survive the creation of the Liabilities and any extension of credit thereunder) that:

- (a) Benefit to Guarantor. Guarantor's guaranty pursuant to this Guaranty Agreement reasonably may be expected to benefit, directly or indirectly, Guarantor.
- (b) Existence. Guarantor is a limited partnership duly formed and legally existing under the laws of the State of Delaware and is duly qualified in all jurisdictions wherein the property owned or the business transacted by it makes such qualification necessary, except where the failure to be so qualified could reasonably be expected to have a material adverse effect on the financial conditions or results of operation of Guarantor and its consolidated subsidiaries taken as a whole, as indicated in the most recent quarterly or annual financial statements of Guarantor.
- (c) Power and Authorization. Guarantor is duly authorized and empowered to execute, deliver and perform this Guaranty Agreement and all action by or on behalf of Guarantor requisite for the due execution, delivery and performance of this Guaranty Agreement by or on its behalf has been duly and effectively taken.
- (d) Binding Obligations. This Guaranty Agreement constitutes a valid and binding obligation of Guarantor, enforceable in accordance with its terms (except as may be subject to any applicable bankruptcy, insolvency or similar laws generally affecting the enforcement of creditors' rights).
- (e) No Legal Bar. Guarantor's execution, delivery and performance of this Guaranty Agreement will not violate any provisions of Guarantor's limited partnership agreement or any contract, agreement, law, regulation, order, injunction, judgment, decree or writ to which Guarantor is subject.
- (f) No Consent. Guarantor's execution, delivery and performance of this Guaranty Agreement does not require the consent or approval of any other Person, including without limitation any regulatory authority or governmental body of the United States or any state thereof or any political subdivision of the United States or any state thereof.
- (g) Solvency. Guarantor hereby represents that (i) it is not insolvent as of the date hereof and will not be rendered insolvent as a result of this Guaranty Agreement, (ii) it is not engaged in business or a transaction, or about to engage in a business or a transaction, for which any property or assets remaining with Guarantor is unreasonably small capital, and (iii) it does not intend to incur, or believe it will incur, debts that will be beyond its ability to pay as such debts mature.

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Section 3.2 No Representation by Lenders. Neither the Lenders nor any other Person has made any representation, warranty or statement to Guarantor in order to induce Guarantor to execute this Guaranty Agreement.

ARTICLE 4 Subordination of Indebtedness

Section 4.1 Subordination of All Guarantor Claims. As used herein, the term "Guarantor Claims" shall mean all debts and liabilities of Borrower to Guarantor, whether such debts and liabilities now exist or are hereafter incurred or arise, or whether the obligation of Borrower thereon be direct, contingent, primary, secondary, several, joint and several, or otherwise, and

irrespective of whether such debts or liabilities be evidenced by note, contract, open account, or otherwise, and irrespective of the person or persons in whose favor such debts or liabilities may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by Guarantor. The Guarantor Claims shall include without limitation all rights and claims of Guarantor against Borrower arising as a result of subrogation or otherwise as a result of Guarantor's payment of all or a portion of the Liabilities. Until the Liabilities shall be indefeasibly paid and satisfied in full in cash and Guarantor shall have performed all of its obligations hereunder, Guarantor shall not receive or collect, directly or indirectly, from Borrower or any other party any amount upon Guarantor Claims if an Event of Default exists at the time of such receipt or collection.

Section 4.2 Claims in Bankruptcy. In the event of receivership, bankruptcy, reorganization, arrangement, debtor's relief, or other insolvency proceedings involving Borrower as debtor, the Lenders shall have the right to prove their claim in any proceeding, so as to establish its rights hereunder and receive directly from the receiver, trustee or other court custodian, dividends and payments which would otherwise be payable upon Guarantor Claims up to the amount of the Liabilities. Guarantor hereby assigns such dividends and payments to the Lenders up to the amount of the Liabilities. Should the Agent or any Lender receive, for application upon the Liabilities, any such dividend or payment which is otherwise payable to Guarantor, and which, as between Borrower and Guarantor, shall constitute a credit upon the Guarantor Claims, then upon indefeasible payment in full in cash of the Liabilities, Guarantor shall become subrogated to the rights of the Lenders to the extent that such payments to the Lenders on the Guarantor Claims have contributed toward the liquidation of the Liabilities, and such subrogation shall be with respect to that proportion of the Liabilities which would have been unpaid if the Agent or a Lender had not received dividends or payments upon the Guarantor Claims.

Section 4.3 Payments Held in Trust. In the event that notwithstanding Sections 4.1 and 4.2 above, Guarantor should receive any funds, payments, claims or distributions which is prohibited by such Sections, Guarantor agrees to hold in trust for the Lenders an amount equal to the amount of all funds, payments, claims or distributions so received, and agrees that it shall have absolutely no dominion over the amount of such funds, payments, claims or distributions except to pay them promptly to the Agent, and Guarantor covenants promptly to pay the same to the Agent.

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Section 4.4 Liens Subordinate. Guarantor agrees that any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's assets securing payment of the Guarantor Claims shall be and remain inferior and subordinate to any liens, security interests, judgment liens, charges or other encumbrances upon Borrower's assets securing payment of the Liabilities, regardless of whether such encumbrances in favor of Guarantor, the Agent or the Lenders presently exist or are hereafter created or attach. Without the prior written consent of the Lenders, Guarantor shall not (a) exercise or enforce any creditor's right it may have against Borrower, or (b) foreclose, repossess, sequester or otherwise take steps or institute any action or proceeding (judicial or otherwise, including without limitation the commencement of or joinder in any liquidation, bankruptcy, rearrangement, debtor's relief or insolvency proceeding) to enforce any lien, mortgages, deeds of trust, security interest, collateral rights, judgments or other encumbrances on assets of Borrower held by Guarantor.

Section 4.5 Notation of Records. All promissory notes made by Borrower and accepted by or held by Guarantor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under the terms of this Guaranty Agreement.

ARTICLE 5
Miscellaneous

Section 5.1 Successors and Assigns. This Guaranty Agreement is and shall be in every particular available to the respective successors and assigns of the Agent and the Lenders and is and shall always be fully binding upon the legal representatives, heirs, successors and assigns of Guarantor, notwithstanding that some or all of the monies, the repayment of which is guaranteed by this Guaranty Agreement, may be actually advanced after any bankruptcy, receivership, reorganization, death, disability or other event affecting Guarantor.

Section 5.2 Notices. Any notice or demand to Guarantor under or in connection with this Guaranty Agreement may be given and shall conclusively be deemed and considered to have been given and received in accordance with Section 9.01 of the Credit Agreement, addressed to Guarantor at the address on the signature page hereof or at such other address provided by Guarantor to the Agent in writing.

Section 5.3 Construction. This Guaranty Agreement is a contract made under and shall be construed in accordance with and governed by the laws of the State of New York.

Section 5.4 Invalidity. In the event that any one or more of the provisions contained in this Guaranty Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Guaranty Agreement.

Section 5.5 Liability of General Partner. It is hereby understood and agreed that Enterprise Products GP, LLC, the general partner of Guarantor, shall have no personal liability, as general partner or otherwise, for the payment of the Liabilities or any amount owing or to be owing hereunder.

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Section 5.6 ENTIRE AGREEMENT. THIS WRITTEN GUARANTY AGREEMENT EMBODIES THE ENTIRE AGREEMENT AND UNDERSTANDING BETWEEN THE AGENT, THE LENDERS AND GUARANTOR AND SUPERSEDES ALL OTHER AGREEMENTS AND UNDERSTANDINGS BETWEEN SUCH PARTIES RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF. THIS WRITTEN GUARANTY AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

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WITNESS THE EXECUTION HEREOF, as of the date first above written.

ENTERPRISE PRODUCTS PARTNERS L.P.,
a Delaware limited partnership

By: Enterprise Products GP, LLC, General Partner

By: /s/ Michael A. Creel
Michael A. Creel
Executive Vice President

2727 North Loop West
7th Floor
Houston, Texas 77008

PURCHASE AGREEMENT

by and between

E-BIRCHTREE, LLC

and

ENTERPRISE PRODUCTS OPERATING L.P.

Dated as of

July 31, 2002

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PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "Agreement") is made and entered into as of this 31st day of July, 2002, by and between E-Birchtree, LLC, a Delaware limited liability company (the "Seller"), and Enterprise Products Operating L.P., a Delaware limited partnership (the "Buyer").

W I T N E S S E T H:

WHEREAS, Williams Natural Gas Liquids, Inc., a Delaware corporation ("WNLG"), owned 100% of the issued and outstanding equity interests of Mid-America Pipeline Company, a Delaware corporation ("MAPCO"), and 80% of each class of issued and outstanding capital stock of Seminole Pipeline Company, a Delaware corporation ("Seminole" and such interest in such capital stock, the "Seminole Stock");

WHEREAS, MAPCO was converted (the "MAPL Conversion") into Mid-America Pipeline Company, LLC, a Delaware limited liability company ("MAPL") and WNLG owned all of the issued and outstanding limited liability company interests in MAPL immediately following the conversion (the "MAPL Membership Interests");

WHEREAS, MAPL distributed ("Excluded Subsidiaries Distribution") all of its equity interests in the Juarez Pipeline Company and MAPL Investments, Inc. to WNLG (such entities, together with any subsidiaries of such entities, the "Excluded Subsidiaries");

WHEREAS, Williams Midstream Natural Gas Liquids, Inc., a Delaware limited liability company ("WMNLG") owned (i) the natural gas liquids terminals described on Exhibit A and (ii) the storage and other facilities described on Exhibit B (the "Terminals and Storage Assets");

WHEREAS, WMNLG formed and owned 100% of the issued and outstanding limited liability company interests (the "Sapling Membership Interests") of Sapling, LLC, a Delaware limited liability company ("Sapling") and contributed the Terminals and Storage Assets to Sapling (the "Sapling Asset Transfer");

WHEREAS, WMNLG distributed the Sapling Membership Interests to The Williams Companies, Inc., a Delaware corporation ("WMB"), which then contributed the Sapling Membership Interests to WNLG, which then contributed the Sapling Membership Interests to MAPL (such distribution and contribution together with the Sapling Asset Transfer, collectively the "Sapling Contributions");

WHEREAS, WNLG has formed and owned 100% of the issued and outstanding limited liability company interests (the "Company Membership Interests") of Mapletree, LLC, a Delaware limited liability company (the "Company");

WHEREAS, WNLG contributed the MAPL Membership Interests to the Company (the "MAPL Contributions");

WHEREAS, WNLG has formed and owned 100% of the issued and outstanding limited liability company interests (the "Oaktree Membership Interests") of E-Oaktree, LLC, a Delaware limited liability company ("Oaktree");

WHEREAS, WNLG contributed the Seminole Stock to Oaktree (the "Seminole Contributions");

WHEREAS, except for the Class B Unit, as defined in the amended and restated limited liability company agreement of Seller (the "Golden Unit"), which unit has not been issued prior to the transactions contemplated by this Agreement, WNLG has formed and owns 100% of the issued and outstanding limited liability company interests of Seller ("Seller Membership Interests" and together with the Company Membership Interests, the MAPL Membership Interests, the Sapling Membership Interests and the Oaktree Membership Interests, the "Membership Interests");

WHEREAS, WNLG contributed the Company Membership Interests and the Oaktree Membership Interests to Seller (the "Seller Contributions" and, together with the Sapling Contributions, the Seminole Contributions and the MAPL Contributions, the "Contributions"); and

WHEREAS, upon the terms and subject to the conditions set forth herein Seller desires to sell to the Buyer, and the Buyer desires to purchase from Seller (a) 98% of the Company Membership Interests (the "Subject Membership Interest") and (b) the Golden Unit.

NOW, THEREFORE, in consideration of the mutual terms, conditions and other agreements set forth herein, the parties hereto hereby agree as follows:

Section 1.1 Agreement to Sell and to Purchase. Upon the terms and subject to the conditions set forth in this Agreement, on the date hereof, in exchange for an aggregate purchase price of \$940,169,097.30 in cash (the "Purchase Price"), as adjusted, the Seller is (a) selling, assigning, transferring, conveying and delivering to the Buyer the Subject Membership Interest, free and clear of any pledges, restrictions on transfer, proxies and voting or other agreements, liens, claims, charges, mortgages, security interests or other legal or equitable encumbrances, limitations or restrictions of any nature whatsoever ("Encumbrances"), and (b) selling and issuing to the Buyer the Golden Unit, and the Buyer is purchasing and accepting the Golden Unit.

Section 1.2 Closing. The closing of the sale and purchase of Subject Membership Interest and the Golden Unit (the "Closing") shall take place at 10:00 A.M. on the date hereof (the "Closing Date"), at the offices of Vinson and Elkins L.L.P., 1001 Fannin Street, Suite 2300, Houston, Texas 77002 or at such other place as the parties hereto shall agree in writing.

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Section 1.3 Deliveries by the Seller. Upon the Closing, the Seller is delivering to the Buyer or its designee:

- (a) an assignment, in form and substance reasonably satisfactory to the Buyer and the Seller, transferring to the Buyer the Subject Membership Interest in the Company, duly executed by the Seller;
- (b) resolutions of the Board of Directors of the Seller authorizing the execution, delivery and performance of this Agreement and a certificate of an officer of the Seller, dated as of the date of this Agreement, to the effect that such resolutions were duly adopted and are in full force and effect;
- (c) a copy of the fairness opinion delivered by Merrill Lynch to the Seller or its affiliates covering the transactions under this Agreement;
- (d) the limited liability company agreement of the Company (the "Company LLC Agreement"), in form and substance reasonably satisfactory to the Buyer and the Seller, duly executed by the Seller;
- (e) the amended and restated limited liability company agreement of the Seller (the "Seller LLC Agreement"), in form and substance reasonably satisfactory to the Buyer and the Seller, duly executed by the Seller;
- (f) a Transition Services Agreement to be entered into between MAPL and WNGL (the "Transition Services Agreement"), substantially in the form of Exhibit C hereto, duly executed by WNGL;
- (g) a guaranty agreement, in form and substance reasonably satisfactory to the Buyer, duly executed by WMB and WNGL;
- (h) a release, in form and substance reasonably satisfactory to the Buyer, duly executed by WMB and WNGL;
- (i) an omnibus assignment, in form and substance reasonably satisfactory to the Buyer, duly executed by WMB and WNGL; and
- (j) all other previously undelivered documents required to be delivered by the Seller to the Buyer at or prior to the Closing Date.

Section 1.4 Deliveries by the Buyer.

(a) Upon the Closing, the Buyer is delivering to the Seller:

- (i) the Purchase Price, less the Prudential Debt (as hereinafter defined), by wire transfer of immediately available funds to the account or accounts specified by the Seller in a written notice to be delivered to the Buyer on or prior to the date hereof;

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(ii) resolutions of the Board of Directors of the general partner of the Buyer authorizing the execution, delivery and performance of this Agreement and a certificate of an officer of the general partner of the Buyer, dated as of the date of this Agreement, to the effect that such resolutions were duly adopted and are in full force and effect;

(iii) the Company LLC Agreement, duly executed by the Buyer;

(iv) the Seller LLC Agreement, duly executed by a designee of the Buyer;

(v) the Transition Services Agreement, duly executed by MAPL; and

(vi) all other previously undelivered documents required to be delivered by the Buyer to the Seller at or prior to the Closing Date.

(b) Contemporaneously with the Closing, the Buyer shall pay to The Prudential Insurance Company of America ("Prudential"), on the Seller's and MAPL's behalf, the outstanding principal and any interest due, together with any prepayment penalties (the "Prudential Debt" and such amount being a portion of the Purchase Price), under those certain notes issued by MAPL to Prudential pursuant to the Note Purchase Agreements identified on Schedule 1.4(b), by wire transfer of immediately available funds to the account or accounts specified by Prudential in a written notice to be delivered by the Seller to the Buyer on or prior to the date hereof.

Section 1.5 Reserved.

Section 1.6 Adjustment to Purchase Price.

(a) As soon as possible following the Closing (but in any event within 15 days following the Closing), the Seller shall prepare and deliver to the Buyer a statement (the "Benchmark Working Capital Statement") setting forth the amount of Benchmark Working Capital (as defined below in Section 1.6(c)) and a statement (the "Final Working Capital Statement") setting forth the amount of Final Working Capital (as defined below in Section 1.6(c)). The Buyer shall have 15 days to review the Benchmark Working Capital Statement and the Final Working Capital Statement and supporting documentation and shall have reasonable access to the books, records and personnel of the Seller for purposes of verifying the accuracy of the calculation of Benchmark Working Capital and Final Working Capital. The Seller's calculation of Benchmark Working

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Capital and Final Working Capital shall be deemed final and binding unless the Buyer raises an objection in writing within 15 days of its receipt thereof, specifying in reasonable detail the nature and extent of such objection. If the Buyer raises such an objection to the calculation of Benchmark Working Capital and Final Working Capital within such 15-day period, and if the Seller and the Buyer are unable to resolve such objection within 15 days of the date the Seller receives such objection, then the disputed matter shall be submitted for determination to PricewaterhouseCoopers or such other accounting firm of national reputation mutually agreeable to the Seller and the Buyer, which shall have up to 10 days to render its determination with respect to such disputed matter. The determination of such accounting firm shall be final and binding for all purposes. The fees and expenses of such accounting firm shall be borne equally by the Seller and the Buyer.

(b) If Final Working Capital exceeds the Benchmark Working Capital, then the Buyer will pay the Seller the amount of such excess. If Final Working Capital is less than Benchmark Working Capital, then the Seller will pay the Buyer the amount of such shortfall. Any such payments will be made within 5 business days of the determination of the adjustment by wire

transfer of immediately available funds and any such payments shall be deemed to be an adjustment to the Purchase Price.

(c) The following terms shall have the following meanings:

"Benchmark Working Capital" shall mean the Working Capital on the close of business on June 30, 2002 as determined pursuant to this Section 1.6 and in accordance with the methodologies employed in the preparation of the balance sheet attached hereto as Schedule 1.6.

"Final Working Capital" shall mean the Working Capital on the close of business on the Closing Date as determined pursuant to this Section 1.6 and in accordance with the methodologies employed in the preparation of the balance sheet attached hereto as Schedule 1.6.

"Working Capital" shall mean the current assets minus current liabilities of the Company and its Subsidiaries (on a pro forma consolidated basis excluding the Excluded Subsidiaries, all intercompany accounts (except trade receivables due to the Company or its Subsidiaries), and all income taxes payable (or due under a tax sharing agreement) by the Company or its Subsidiaries) determined in accordance with generally accepted accounting principles as consistently applied by the Seller with respect to the businesses contributed to the Company immediately prior to the date hereof.

(d) The Seller shall remit to the Buyer as soon as practicable after the receipt thereof any revenue received by the Seller or any affiliate of the Seller subsequent to the Closing that is attributable to the Assets.

(e) Notwithstanding anything herein to the contrary, the amounts payable to the Buyer pursuant to this Section 1.6 shall

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not be subject to the Deductible (as defined in Section 8.2(c)) or the Cap (as defined in Section 8.2(c)).

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller hereby represents and warrants as follows:

Section 2.1 Corporate Organization. The Seller, the Company, MAPL, Sapling and Oaktree are each limited liability companies duly organized and validly existing under the laws of Delaware. The Seller, the Company and each of the Subsidiaries (as defined below in Section 2.3) of the Company have all requisite power and authority and all governmental licenses, authorizations, permits, consents and approvals to own their respective properties and assets and to conduct their businesses as now conducted, except for immaterial failures to have such licenses, authorizations, permits, consents and approvals. The Seller, the Company and each of the Subsidiaries of the Company are duly qualified to do business as a foreign entity and are in good standing in every jurisdiction where the character of the properties owned or leased by them or the nature of the business conducted by them makes such qualification necessary, except where the failure to be so qualified or in good standing would not individually or in the aggregate have a Material Adverse Effect (as defined in Section 9.13). Schedule 2.1 sets forth all of the jurisdictions in which the Seller, the Company and each of the Subsidiaries of the Company are qualified to do business. Copies of the Organizational Documents (as defined below) of the Seller and each of its Subsidiaries with all amendments thereto to the date hereof, have been furnished by the Seller to the Buyer or their representatives, and such copies are accurate and complete as of the date hereof. "Organizational Documents" shall mean certificates of incorporation, by-laws, certificates of formation, limited liability company operating agreements, partnership or limited partnership agreements or other formation or governing documents of a particular entity.

Section 2.2 Capitalization; Title. Prior to the issuance of the Golden Unit, all of the outstanding Seller Membership Interests are owned of record and beneficially by WNGI, free and clear of any Encumbrances. All of the outstanding Company Membership Interests are owned of record and beneficially by Seller, free and clear of any Encumbrances. All of the outstanding MAPL Membership Interests are owned of record and beneficially by the Company, free and clear of any Encumbrances. All of the outstanding Sapling Membership Interests are owned of record and beneficially by MAPL, free and clear of any Encumbrances. All of the Membership Interests have been duly authorized and validly issued. Except for this Agreement, the Seminole Purchase Agreement (as defined in Section 9.13) and as set forth on Schedule 2.2, there are no outstanding options, warrants, agreements, conversion

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rights, preemptive rights or other rights to subscribe for, purchase or otherwise acquire any of the Membership Interests. There are no voting trusts or other agreements or understandings to which any of the Seller or any of its Subsidiaries is a party with respect to the voting of the Membership Interests. There is no indebtedness of the Company having general voting rights issued and outstanding. Except for this Agreement and the Seminole Purchase Agreement, there are no outstanding obligations of any person to repurchase, redeem or otherwise acquire outstanding Membership Interests or any securities convertible into or exchangeable for any Membership Interests. The Seller has valid and marketable title to the Subject Membership Interest, and the sale and transfer of the Subject Membership Interest by the Seller to the Buyer hereunder will transfer title to the Subject Membership Interest to the Buyer free and clear of any Encumbrances. The Golden Unit has been duly authorized and validly issued.

Section 2.3 Subsidiaries and Equity Interests. Except for the Company, MAPL, Sapling, Oaktree and Seminole, which are Subsidiaries of the Seller, the Seller does not own, directly or indirectly, any shares of capital stock, voting rights or other equity interests or investments in any other person or any interests in any other asset. Except for MAPL and Sapling, which are Subsidiaries of the Company, the Company does not own, directly or indirectly, any shares of capital stock, voting rights or other equity interests or investments in any other person. "Subsidiary" shall mean, with respect to a specified person, any person in which such specified person owns, directly or indirectly, any shares of capital stock, voting rights or other equity interests or investments. The Company and each of its Subsidiaries do not have any rights to acquire by any means, directly or indirectly, any capital stock, voting rights, equity interests or investments in another person. All references in this Agreement to the Company and its Subsidiaries shall in no way be deemed to include any reference to assets or businesses previously owned by the Company or its Subsidiaries which were distributed out of such entities (including, without limitation, the Excluded Subsidiaries) prior to the Closing.

Section 2.4 Validity of Agreement; Authorization. The Seller has the power to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by the Seller, and no other proceedings on the part of the Seller are necessary to authorize such execution, delivery and performance. This Agreement has been duly executed by each of the Seller and constitutes the Seller's valid and binding obligation enforceable against the Seller in accordance with its terms (except to the extent that its enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar law affecting the enforcement of creditors' rights generally or by general equitable principles). Each of the MAPL Conversion, the Contributions and the Excluded Subsidiaries Distribution (collectively, the "Reorganization Transactions") were duly authorized, and the instruments executed in connection therewith (the "Reorganization Instruments") were duly executed and constitute the valid and binding obligations enforceable against the parties thereto (the "Reorganization Parties") in accordance with their terms (except to the extent that their enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar law affecting the enforcement of creditors' rights generally or by general equitable principles).

Section 2.5 No Conflict or Violation. Except as set forth on Schedule 2.5, (x) the execution, delivery and performance by the Seller of this Agreement and the documents to be delivered at the Closing and (y) the execution, delivery and

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performance of the Reorganization Instruments by the Reorganization Parties, does not and will not:

(a) violate or conflict with any provision of the Organizational Documents of the Seller, the Company or any of its Subsidiaries or any other Reorganization Party;

- (b) materially violate any applicable provision of a material law, statute, judgment, order, writ, injunction, decree, award, rule, or regulation of any foreign, federal, tribal, state or local government, court, arbitrator, agency or commission or other governmental or regulatory body or authority ("Governmental Authority");
- (c) materially violate, result in a material breach of, constitute (with due notice or lapse of time or both) a material default or cause any material obligation, penalty or premium to arise or accrue under, accelerate or permit the acceleration of the performance required by, or require any consent, authorization or approval under (i) any material contract, lease, loan agreement, mortgage, security agreement, trust indenture or other material agreement or instrument to which the Seller, the Company, or any of its Subsidiaries or any other Reorganization Party are a party or by which any of them is bound or to which any of their respective properties or assets is subject or (ii) any mortgage, security agreement, trust indenture, loan or debt agreement or any other agreement or instrument evidencing indebtedness for money borrowed to which the Seller or any of its affiliates, the Company, any of its Subsidiaries or any other Reorganization Party is a party or by which any of them is bound or to which any of their respective properties or assets is subject; or
- (d) result in the creation or imposition of any Encumbrance except Permitted Encumbrances upon any of the properties or assets of the Seller or any of its affiliates, the Company or any of its Subsidiaries.

Section 2.6 Consents and Approvals. Except as set forth on Schedule 2.6, no material consent, approval, authorization, license, order or permit, or declaration, filing or registration with, or notification to any Governmental Authority or any other person, is required to be obtained by the Seller or the Seller's affiliates (including, without limitation, the Company and its Subsidiaries) in connection with the Reorganization Transactions, the execution and delivery of this Agreement by the Seller or the performance of the Seller's obligations hereunder. Except as set forth on Schedule 2.6, the Reorganization Transactions do not (a) breach, violate or result in any default under any agreements or instruments to which the Seller or any of the Seller's affiliates (including the Company and its Subsidiaries) are parties or otherwise are bound or (b) trigger, violate or otherwise create any right in or for any person under any right of first refusal, preferential rights to purchase or similar rights applicable in connection with the Reorganization Transactions or the transactions contemplated by this Agreement.

Section 2.7 Financial Statements. The Seller has heretofore furnished to the Buyer copies of the financial statements of

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the Company's Subsidiaries (other than Sapling) and the Excluded Subsidiaries as of December 31, 2001 (the "2001 Financials") and the pro forma financial statements of the Company's Subsidiaries (other than Sapling) as of June 30, 2002 (the "Pro Forma Financials and, together with the 2001 Financials, the "Financial Statements"). The Financial Statements were prepared on the basis of the information contained in the books and records of the Seller and (a) the 2001 Financials were prepared in accordance with U.S. generally accepted accounting principles ("GAAP") consistently applied and (b) the Pro Forma Financials were prepared in a manner consistent with the principles of GAAP. Except as described on Schedule 2.7, the 2001 Financials fairly present in all material respects the financial position, results of operations and changes in cash flow of the Company's Subsidiaries (other than Sapling) and the Excluded Subsidiaries as of the dates of such 2001 Financials and for the periods then ended (subject to normal year-end audit adjustments consistent with prior periods).

Section 2.8 Absence of Certain Changes or Events. Except as set forth in Schedule 2.8 (a) and except for the Reorganization Transactions, since (x) December 31, 2001, the business of the Company and its Subsidiaries has been conducted in the ordinary course consistent with past practices and (y) since June 30, 2002 neither the Company nor any of its Subsidiaries has taken any of the actions described in Schedule 2.8 (b), except in connection with entering into this Agreement. Since December 31, 2001, there has not been:

- (a) any material destruction of, damage to, or loss of, any material asset of the Company or its Subsidiaries (whether or not covered by insurance) that has not been repaired or replaced;
- (b) any material citation received or to the Seller's knowledge, any other citation received by the Seller, the Company or any of its Subsidiaries for any material violations of any act, law, rule, regulation, or code of any Governmental Authority related to the activities or business of the Seller, the Company or any of its Subsidiaries; or
- (c) any other event or condition of any character that has had, or would reasonably be expected to have, a Material Adverse Effect.

Section 2.9 Tax Matters.

- (a) For purposes of this Agreement, (i) "Tax Returns" shall mean returns, reports, exhibits, schedules, information statements and other documentation (including any additional or supporting material) filed or maintained, or required to be filed or maintained, in connection with the calculation, determination, assessment or collection of any Tax and shall include any amended returns; (ii) "Tax" or "Taxes" shall mean any and all Federal, state, local, foreign and other taxes, levies, fees, imposts, duties and charges of whatever kind (including any interest, penalties or additions to the tax imposed in connection therewith or with respect thereto), including, without limitation, taxes imposed on, or measured by, income,

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franchise, profits or gross receipts, ad valorem, value added, sales, use, service, real or personal property, capital stock, license, payroll, withholding, employment, social security, workers' compensation, unemployment compensation, utility, severance, production, excise, stamp, occupation, premium, windfall profits, transfer and gains taxes and customs duties; (iii) the "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provision of succeeding law) and (iv) "Treasury Regulations" shall mean the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time.

- (b) Except as disclosed on Schedule 2.9, (i) all income and other material Tax Returns required under applicable law to be filed by or with respect to the Company, any of its Subsidiaries or predecessors thereto (including MAPCO) have been timely filed; (ii) all such Tax Returns were true, correct and complete in all material respects; (iii) all income and other material Taxes required to be paid by or with respect to the Company, any of its Subsidiaries or predecessors thereto (including MAPCO) (whether or not shown on any Tax Return) have been timely paid (except for Taxes which are being contested in good faith in appropriate proceedings); (iv) there is no action, suit, proceeding, audit or claim now pending or threatened in writing against, or with respect to, the Company, any of its Subsidiaries or predecessors thereto (including MAPCO) in respect of any income or other material Tax or assessment for any income or other material Tax; (v) all deficiencies or assessments asserted against the Company, any of its Subsidiaries or predecessors thereto (including MAPCO) by any Tax authority or with respect to Taxes have been paid or fully and finally settled and, to the knowledge of the Seller, no issue previously raised in writing by any such Tax authority reasonably could be expected to result in a material assessment on or after the date hereof; (vi) no written claim has been made by any Tax authority in a jurisdiction where the Company, any of its Subsidiaries or predecessors thereto (including MAPCO) have not filed a Tax Return that any of them are or may be subject to Tax by such jurisdiction, nor to the Seller's knowledge has any such assertion been threatened in writing; (vii) there are no extensions or outstanding requests for extensions of time within which to pay Taxes or file Tax Returns of or with respect to the Company, any of its Subsidiaries or predecessors thereto (including MAPCO); (viii) there has been no waiver, extension or request for extension of any applicable statute of limitations for the assessment or collection of any Taxes of the Company, any of its Subsidiaries or predecessors thereto (including MAPCO); (ix) each of the Company and its Subsidiaries has been a disregarded entity for Federal income tax purposes at all times from its formation prior to the sale and purchase of the Subject Membership Interest; (x) Seller is not a "foreign person" within the meaning of Section 1445 of the Code; (xi) neither the Company nor any of its Subsidiaries or any of their predecessors is a party to any agreement, whether written or unwritten, providing for the payment of Taxes, payment for Tax losses, entitlements to refunds or similar Tax matters; (xii) each of the Company, its Subsidiaries and predecessors thereto (including MAPCO) has withheld and paid all material Taxes required to be withheld by it in connection with any amounts paid or owing to any

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employee, creditor, independent contractor or other third party; (xiii) there are no Encumbrances on the assets of the Company or any of its Subsidiaries relating to or attributable to Taxes, other than liens for Taxes not yet due and payable or Taxes being contested in good faith in appropriate proceedings; (xiv) beginning on March 27, 1998, MAPCO was a member of the affiliated group, within the meaning of Section 1504 of the Code, of which WMB is the common parent (the "WMB Parent Group"); (xv) MAPCO was never a member of an affiliated group (within the meaning of Section 1504 of the Code) or an affiliated, combined, consolidated, unitary or similar group for state, local or foreign Tax purposes, other than the WMB Parent Group; (xvi) neither the Company nor any of its Subsidiaries has any liability for the Taxes of any person under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract or otherwise, with the exception of MAPL's liability as the successor of MAPCO for Taxes of WMB Parent Group; (xvii) neither the Company nor any of its Subsidiaries is a party to any contract, agreement, plan or arrangement that, individually or in the aggregate, could give rise to the payment of any amount that would not be deductible pursuant to Section 280G or 162(m) of the Code; (xviii) MAPCO did not constitute either a "distributing corporation" or a "controlled corporation" in a distribution of stock qualifying for tax-free treatment under Section 355 of the Code in the two years prior to the date of this Agreement or in a distribution which could otherwise constitute part of a "plan" or "series of related transactions" (within the meaning of Section 355(e) of the Code) in conjunction with the transactions contemplated by this Agreement; (xix) none of the assets or properties of the Company or any of its Subsidiaries is required to be treated as tax-exempt use property within the meaning of Section 168(h)(1) of the Code; (xx) neither the Company nor any of its Subsidiaries has participated in a reportable transaction within the meaning of Treasury Regulations Section 1.6011-4T or participated in a transaction that has been disclosed pursuant to IRS Announcement 2002-2, 2002-2 I.R.B. 304; and (xxi) the Financial Statements include adequate provision under generally accepted accounting principles for all unpaid Taxes of the Company, its Subsidiaries and any predecessors thereto (including MAPCO) as of the date thereof.

Section 2.10 Absence of Undisclosed Liabilities.

- (a) Except as disclosed on Schedule 2.10, the Company and its Subsidiaries have no material, individually or in the aggregate, indebtedness or liability, absolute or contingent, direct or indirect, which is not shown or provided for in the Financial Statements other than liabilities incurred or accrued in the ordinary course of business (including liens for current Taxes not yet due and payable and assessments not in default) since December 31, 2001. Except for liabilities arising in connection with its ownership of the Company or Oaktree or under the Seminole Purchase Agreement, Seller has no indebtedness or liability, absolute or contingent, direct or indirect.

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- (b) None of the Company or any of its Subsidiaries is obligated for any "off balance sheet indebtedness" which, but for the structure of such indebtedness would be required to be reflected on a balance sheet in accordance with generally accepted accounting principles.

Section 2.11 Real and Personal Property; Sufficiency of Assets of the Company.

- (a) Except as set forth on Schedule 2.11(a), the Company or one of its Subsidiaries owns marketable fee title to, or holds a valid leasehold interest in, or right-of-way easements through (collectively, the "Rights of Way") all material real property (collectively, "Real Property") used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, and except for the Omnibus Excluded Assets (as defined below), the Company or one of its Subsidiaries has good and valid title to all of the material tangible assets used or necessary for the conduct of the Company's and its Subsidiaries' businesses as they are presently conducted and as conducted immediately prior to the Contributions or which material tangible assets are reflected on the Financial Statements (except for assets sold, consumed or otherwise disposed of in the ordinary course of business since the date of the Financial Statements) and (ii) all such material Real Property and assets (other than Rights of Way) are owned or leased by the Company or its Subsidiaries free and clear of all Encumbrances, except for (A) Encumbrances set forth on Schedule 2.11(a), (B) liens for current Taxes not yet due and payable or for Taxes the validity of which is being contested in good faith in appropriate proceedings, (C) rights of way, laws, ordinances and regulations affecting building use and occupancy (collectively, "Property Restrictions") imposed or promulgated by law or any Governmental Authority with respect to Real Property, including zoning regulations, provided they do not materially adversely affect the current use of the applicable real property, and (D) mechanics', carriers', workmen's and repairmen's liens and other Encumbrances of any kind, if any, which do not materially detract from the value of or materially interfere with the present use of any Real Property or assets subject thereto or affected thereby and which have arisen or been incurred in the ordinary course of business (clauses (A) through (D) above are referred to collectively as "Permitted Encumbrances"). All Rights of Way used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, are owned or leased by the Company or one of its Subsidiaries, free and clear of all Encumbrances created by the Seller, any affiliate of the Seller, the Company or any Subsidiary of Company, except for the Permitted Encumbrances.
- (b) The Pipeline Systems are contiguous to all points of delivery and receipt, except for such failures to be contiguous that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

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- (c) There are no material structural defects relating to any of the improvements to the Real Property (including, without limitation, the Pipeline Systems) and all tangible assets and seasonal property used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, are in good operating condition, ordinary wear and tear and obsolescence excepted. To the Company's knowledge, all improvements to the real property used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, do not encroach in any respect on property of others (other than encroachments that would not materially impair the operations of the Company and its Subsidiaries currently conducted thereon).
- (d) Except as set forth on Schedule 2.11(d) and except for the Omnibus Excluded Assets, the assets owned, leased or licensed by the Company and its Subsidiaries constitute all of the assets and rights used by the Seller, the Seller's affiliates, the Company and its Subsidiaries to conduct the businesses of the Company and its Subsidiaries and the operation of the Pipeline Systems and the Terminals and Storage Assets as they are presently conducted and as conducted immediately prior to the Contributions.
- (e) Except as set forth on Schedule 2.11(e), there is no pending or, to the Seller's knowledge, threatened condemnation of any part of the Real Property used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, by any Governmental Authority which would materially adversely affect the Company's or its Subsidiaries' use of such Real Property.

Section 2.12 Regulatory Matters.

- (a) None of the Company or any of its Subsidiaries is a "Natural Gas Company" as that term is defined in Section 2 of the Natural Gas Act ("NGA"). None of the Company or its Subsidiaries is a "public utility company," "holding company" or "subsidiary" or "affiliate" of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935 (the "1935 Act"). No approval of (i) the Securities and Exchange Commission under the 1935 Act or (ii) FERC under the NGA, the Interstate Commerce Act ("ICA") or the Federal Power Act is required in connection with (x) the Reorganization Transactions, (y) the execution of this Agreement by the Seller or (z) the performance of the transactions contemplated hereby by the Seller.
- (b) MAPL is subject to regulation under Chapter 1 of the ICA. MAPL is in material compliance with all applicable provisions of the ICA and all rules and regulations promulgated by FERC pursuant thereto. MAPL is in material compliance with all orders issued by FERC that pertain to terms and conditions and rates charged for services.

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- (c) The Company and its Subsidiaries have all licenses, permits and authorizations (other than licenses or permits for the use of land) issued or granted by Governmental Authorities that are necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, except for such failures that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 2.13 Intellectual Property.

- (a) Except as set forth on Schedule 2.13(a), and as may be identified during development of the IT Migration Plan (as defined in Section 4.12 below), and for such matters as would not have a Material Adverse Effect, each of the Company and its Subsidiaries owns all right, title and interest in and to, or has a valid and enforceable license or other right to use, all the Intellectual Property (as defined below) used by the Company in connection with its business, which represents all Intellectual Property rights necessary for the Company to conduct its business as presently conducted.
- (b) Neither the Company nor any of its Subsidiaries has materially violated, infringed upon or unlawfully or wrongfully used the intellectual property of others, and neither of the Company's nor any of its Subsidiaries' Intellectual Property or any related rights as used in the businesses now or heretofore conducted by the Company or any of its Subsidiaries, materially infringes upon or otherwise materially violates the rights of others, nor has any person or Governmental Authority asserted in writing a material claim of such infringement or misuse or initiated (or indicated in writing any present or future intention to initiate) any material proceeding with respect to such Intellectual Property.
- (c) Except as set forth on Schedule 2.13(c), neither the Company nor any of its Subsidiaries will from and after the Closing be obligated to make any payments for royalties, fees or otherwise to any person in connection with any of the Company's or any of its Subsidiaries' Intellectual Property. None of the Seller, the Company or any of its Subsidiaries is aware of any infringement of the Company's or any of its Subsidiaries' Intellectual Property, and there are no pending infringement actions against another for infringement of the Company's or any of its Subsidiaries' Intellectual Property or theft of trade secrets.
- (d) The only representations and warranties given in respect of Intellectual Property and matters and agreements relating thereto are those contained in this Section 2.13, and none of the other representations and warranties shall be deemed to constitute, directly or indirectly, a representation and warranty in respect of Intellectual Property and matters or agreements relating thereto.

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- (e) As used in this Agreement, "Intellectual Property" shall mean the trademarks, service marks, trade names, inventions, trade secrets, copyrights and domain names used in connection with the Company's or its Subsidiaries' businesses.

Section 2.14 Compliance with Law. Except as relates to Tax matters (which are provided for in Section 2.9), NGA, ICA and the 1935 Act matters (which are provided for in Section 2.12), or environmental, health and safety matters (which are provided for in Section 2.21) and except as set forth on Schedule 2.14, the operations of the Company, its Subsidiaries and their respective Assets have been conducted in material compliance since December 31, 2001, with all applicable material laws, licenses, regulations, orders and other material requirements of all Governmental Authorities having jurisdiction over the Company and any Subsidiary and their assets, properties and operations. Except as relates to Tax matters (which are provided for in Section 2.9), NGA, ICA and the 1935 Act matters (which are provided for in Section 2.12) or environmental, health and safety matters (which are provided for in Section 2.21), none of the Seller, the Seller's affiliates, the Company or its Subsidiaries has materially violated, been charged with materially violating or, to the knowledge of Seller or any of its affiliates, been threatened with a charge of materially violating of any such law, license, regulation, order or other legal requirement, or are in material default with respect to any material order, writ, judgment, award, injunction or decree of any Governmental Authority, in each case, as applicable to the Company, its Subsidiaries or any of the Company's and its Subsidiaries' assets, properties or operations.

Section 2.15 Litigation. Except as set forth on Schedule 2.15, there are no Legal Proceedings (as hereinafter defined) pending or, to the knowledge of the Seller, the Seller's affiliates, the Company or its Subsidiaries, threatened against or involving the Seller, any of the Seller's affiliates, the Company or any of its Subsidiaries that, individually or in the aggregate, are reasonably likely to:

- (a) incur damages or costs to the Company or any of its Subsidiaries in excess of \$500,000;
- (b) have a Material Adverse Effect; or
- (c) materially impair or delay the ability of the Seller to perform their obligations under this Agreement or consummate the transactions contemplated by this Agreement.

Except as set forth on Schedule 2.15, there is no order, judgment, injunction or decree of any Governmental Authority outstanding against the Seller, the Company or any of its Subsidiaries or against any of the Seller's affiliates with respect to the Assets that, individually or in the aggregate, would have any effect referred to in the foregoing clauses (a) and (b). "Legal Proceeding" shall mean any judicial, administrative or arbitral actions, suits, proceedings (public or private), investigations or

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governmental proceedings before any Governmental Authority.

Section 2.16 Contracts. Except for Commitments (as defined below in Section 2.16(o)) listed on Schedule 2.13(a) or Schedule 2.18(a), Schedule 2.16 sets forth (subject to the dollar amount limitations of clauses (b) or (c) below) a true and complete list of the following contracts, agreements, instruments and commitments to which the Company or any of its Subsidiaries is a party or otherwise relating to or affecting any of the Assets or the operations of the Company or any of its Subsidiaries, whether written or oral:

- (a) any material contracts, agreements and commitments not made in the ordinary course of business;
- (b) contracts calling for payments by or to the Company or any of its Subsidiaries of amounts greater than \$1,000,000;
- (c) contracts, loan agreements, letters of credit, repurchase agreements, mortgages, security agreements, guarantees, pledge agreements, trust indentures and promissory notes and similar documents relating to the borrowing of money or for lines of credit;
- (d) agreements with respect to the sharing or allocation of Taxes or Tax costs;
- (e) agreements for the sale of any material assets, property or rights other than in the ordinary course of business or for the grant of any options or preferential rights to purchase any material assets, property or rights;
- (f) documents granting any power of attorney with respect to the affairs of the Company or its Subsidiaries;
- (g) suretyship contracts, performance bonds, working capital maintenance, support agreements, contingent obligation agreements and other forms of guaranty agreements;
- (h) any material contracts or commitments limiting or restraining the Company or any Subsidiary from engaging or competing in any lines of business or with any person;
- (i) with respect to natural gas liquids, any transportation agreements, product purchase agreements, fractionation agreements, processing agreements, balancing agreements, interconnection agreements and storage agreements, other than any terminaling agreements that are terminable upon notice of one year or less;

(j) any collective bargaining agreements;

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- (k) any contracts between the Company or its Subsidiaries, on the one hand, and the Seller or its affiliates (other than the Company or its Subsidiaries), on the other hand;
- (l) any indemnification agreements not made in the ordinary course of business;
- (m) any material partnership, joint venture or similar agreements;
- (n) capital leases; and
- (o) all amendments, modifications, extensions or renewals of any of the foregoing (the types of contracts, agreements and documents described in subsections (a) through (o) are hereinafter referred to collectively as the "Commitments" and individually as a "Commitment").

Each Commitment is valid, binding and enforceable against the Company and/or each Subsidiary of the Company that is a party thereto in accordance with its terms, and in full force and effect on the date hereof (except to the extent that its enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar law affecting the enforcement of creditors' rights generally or by general equitable principles). The Company and each of its Subsidiaries, as the case may be, have performed in all material respects all obligations required to be performed by them under, and are not in material default or breach of in respect of, any Commitment, and no event has occurred which, with due notice or lapse of time or both, would constitute such a default. To the knowledge of the Seller and the Company or any of its Subsidiaries, no other party to any Commitment is in default in any material respect thereof, and no event has occurred which, with due notice or lapse of time or both, would constitute such a default. The Seller has made available to the Buyer or its representatives true and complete originals or copies of all the Commitments and a copy of every material default notice received by the Seller or the Company or any of its Subsidiaries during the past one year with respect to any of the Commitments.

Section 2.17 Books and Records of the Company. The books of account, minute books, record books, and other records of the Company and its Subsidiaries, all of which have been made available to the Buyer or its representatives, are complete and correct in all material respects.

Section 2.18 Employee Plans.

(a) Except as set forth in Schedule 2.18(a), neither the Company nor any of its Subsidiaries' sponsors or maintains or has any liability or obligation with respect to, and at any time during the past five years or, if longer, for any period for which an applicable statute of limitations has not expired, has not sponsored, maintained or had any liability or obligation with respect to, any "employee benefit plan," as defined under Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or any other bonus, pension, stock option, stock purchase, benefit, welfare, profit-sharing, retirement, disability,

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vacation, severance, hospitalization, insurance, incentive, deferred compensation and other similar fringe or employee benefit plans, funds, programs or arrangements, whether written or oral ("Employee Plans"), in each of the foregoing cases which cover, are maintained for the benefit of, or relate to any or all current or former employees of the Company. Schedule 2.18(a) sets forth a true and complete list of all Employee Plans which cover, are maintained for the benefit of, or relate to any or all employees of the Seller or its affiliates who are assigned to or perform services primarily for the business of the Company or its Subsidiaries (including the business of operating the assets of Seminole) (the "Business Employees," and such Employee Plans hereinafter referred to as the "Seller Plans"). For purposes of determining Business Employees, a person shall be deemed to be performing services primarily for the business of the Company or any of its Subsidiaries if such person spends at least 50% of their working time in the conduct of the business of operations of the Company or its Subsidiaries.

(b) The Company and its Subsidiaries have no current or former employees. Schedule 2.18(b) sets forth a true and complete list showing the names of all Business Employees. Except as set forth on Schedule 2.18(b), there are no contracts, agreements, plans or arrangements covering any Business Employee with "change of control", severance or similar provisions that would be triggered as a result of the consummation of this Agreement or that could otherwise result in liability to the Company or its Subsidiaries. To the Seller's and the Company's knowledge, no Business Employee is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of such employee's efforts to promote the interests of the Company or the Buyer or that would conflict with the Company's or its Subsidiaries' business as conducted or proposed to be conducted.

(c) None of the employees who provide services to the Company or its Subsidiaries are covered by collective bargaining agreements and, to the Seller's knowledge, there are no union or labor organization efforts respecting such employees.

(d) Neither the Company nor any of its Subsidiaries will have any liability to any person for compensation pursuant to employment or termination of employment as a result of consummating the transactions contemplated by this Agreement.

Section 2.19 Insurance.

(a) Schedule 2.19 sets forth a true and complete list of all policies of property and casualty insurance, including crime insurance, liability and casualty insurance, property insurance, business interruption insurance, workers' compensation, excess or umbrella liability insurance and any other type of property and casualty insurance insuring the properties, assets, employees and/or operations of the Company or its Subsidiaries (collectively, the "Policies"). Upon request, the Seller will make available to the Buyer certificates of insurance and insurance summaries from the insurance broker

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evidencing the existence of the Policies. Except as set forth on Schedule 2.19, all such policies are in full force and effect. All premiums payable under such Policies have been paid in a timely manner and the Seller, the Seller's affiliates, the Company and the Company's Subsidiaries have complied fully with the terms and conditions of all such Policies.

(b) Neither the Company nor any of its Subsidiaries is in default under any provisions of the Policies, and there is no claim by the Seller, the Seller's affiliates, the Company or any Subsidiary of the Company or any other person pending under any of the Policies as to which coverage has been questioned, denied or disputed by the underwriters or issuers of such Policies. Except as set forth on Schedule 2.19, none of the Seller, the Seller's affiliates, the Company or any Subsidiary of the Company has received written notice from an insurance carrier issuing any Policies that alteration of any equipment or any improvements located on Real Property, purchase of additional equipment, or modification of any of the methods of doing business of the Company or its Subsidiaries, will be required or suggested after the date hereof.

Section 2.20 Transactions with Directors, Officers and Affiliates. Except as set forth on Schedule 2.20 and for intercompany transactions in the ordinary course of business, since December 31, 2001, there have been no transactions between the Company or its Subsidiaries and any director, officer, employee, stockholder, member or other "affiliate" (as such term is defined in Rule 405 under the Securities Act of 1933, as amended (the "Securities Act")) of the Company, or any Subsidiary or the Seller, including, without limitation, loans, guarantees or pledges to, by or for the Company or Subsidiary from, to, by or for any of such persons. Except as set forth on Schedule 2.11(d), neither the Seller nor any of their "affiliates" (as such term is defined in Rule 405 under the Securities Act) (other than the Company or any Subsidiary) owns or has any rights in or to any of the assets, properties or rights used by the Company or its Subsidiaries in the ordinary course of their business.

Section 2.21 Environmental, Health and Safety Matters.

(a) Except as set forth on Schedule 2.21:

- (i) the Company and its Subsidiaries and their respective operations and the Assets are in material compliance with all applicable Environmental Laws, and have been in material compliance with Environmental Laws and, in the case of pipeline safety, prudent industry practices, except for non-compliance that would not reasonably be expected to result in the Company or its Subsidiaries incurring material liabilities under applicable Environmental Laws;
- (ii) none of the Seller, the Company or its Subsidiaries has received any written request for information, or has been notified that it is a potentially responsible party, under CERCLA (as hereinafter defined) or any similar state law with

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respect to any on-site or off-site location for which material liability is currently being asserted against them with respect to the activities or operations of the Company or its Subsidiaries;

- (iii) there are no material writs, injunctions, decrees, orders or judgments outstanding, or any actions, suits, proceedings or investigations pending or to their knowledge threatened, involving the Company or its Subsidiaries relating to (A) their compliance with any Environmental Law, or (B) the release, disposal, discharge, spill, treatment, storage or recycling of Hazardous Materials into the environment at any location which would reasonably be expected to result in the Company or any Subsidiary incurring any material liability under Environmental Laws;
 - (iv) the Company and its Subsidiaries have obtained, currently maintain and are in material compliance with all material licenses which are required under Environmental Laws for the operation of their respective businesses (collectively, "Environmental Permits"), all such material Environmental Permits are in effect and no appeal nor any other action is pending to revoke any such material Environmental Permit;
 - (v) there have been no Releases of Hazardous Materials at any current or former property owned, leased or operated by the Company or its Subsidiaries that are reasonably likely to result in material liabilities under applicable Environmental Laws after the Closing Date;
 - (vi) there have been no ruptures in the Pipeline Systems resulting in injury, loss of life, or material property damage, except to the extent that any liabilities or costs arising as a result of such ruptures have been fully resolved so that the Seller does not expect that the Company or its Subsidiaries will incur material liabilities or costs after the Closing Date; and
 - (vii) to the knowledge of the Seller and its affiliates, there are no defects, corrosion or other damage to any of the Pipeline Systems that would create a material risk of pipeline integrity failure.
- (b) The following terms shall have the following meanings:

"Environmental Claim" shall mean any notice of violation, action, claim, lien, demand, abatement or other order or directive (conditional or otherwise) by any person or Governmental Authority for personal injury (including sickness, disease or death), tangible or intangible property damage, damage to the environment (including natural resources), nuisance, pollution, contamination,

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trespass or other adverse effects on the environment, or for fines, penalties or restrictions resulting from or based upon (i) the existence, or the continuation of the existence, of a Release (including, without limitation, sudden or non-sudden accidental or non-accidental Releases) of, or exposure to, any Hazardous Material, odor or audible noise; (ii) the transportation, storage, treatment or disposal of Hazardous Materials; or (iii) the violation, or alleged violation, of any Environmental Laws or Permits issued thereunder.

"Environmental Law" shall mean current local, county, state, federal, and/or foreign law (including common law), statute, code, ordinance, rule, regulation or other legal obligation relating to the protection of the environment or natural resources, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. section 9601 et seq.), as amended ("CERCLA"), the Resource Conservation and Recovery Act (42 U.S.C. section 6901 et seq.), as amended ("RCRA"), the Federal Water Pollution Control Act (33 U.S.C. section 1251 et seq.), as amended, the Clean Air Act (42 U.S.C. section 7401 et seq.), as amended, the Toxic Substances Control Act (15 U.S.C. section 2601 et seq.), as amended, the Occupational Safety and Health Act (29 U.S.C. section 651 et seq.), as amended, the Federal Natural Gas Pipeline Safety Act of 1968, as amended, the Hazardous Materials Transportation Act (49 U.S.C. section 1801 et seq.), as amended, the Oil Pollution Act (33 U.S.C. section 2701 et seq.), the Safe Drinking Water Act (42 U.S.C. section 300(f) et seq.), as amended, analogous state, tribal or local laws, and any similar, implementing or successor law, and any amendment, rule, regulation, or directive issued thereunder.

"Hazardous Material" shall mean any substance, material or waste which is regulated by any Environmental Law as hazardous, toxic, a pollutant, contaminant or words of similar meaning including, without limitation, petroleum, petroleum products, asbestos, urea formaldehyde and polychlorinated biphenyls.

"Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of a Hazardous Material.

- (c) The representations set forth in this Section 2.21 are the Seller's sole and exclusive representation and warranties related to any environmental matters.

Section 2.22 Brokers. Neither Seller nor any of Seller's affiliates has employed the services of a broker or finder in connection with this Agreement or any of the transactions contemplated hereby for which the Buyer, Buyer's affiliates, the Company or any of the Subsidiaries of the Company would be responsible for paying any fee, commission or other amount.

Section 2.23 No Default. The Company and each of its Subsidiaries is not in default under, and no condition exists that with notice or lapse of time or both would constitute a default under (a) any judgment, order or injunction of any court, arbitrator or governmental agency or (b) any other agreement, contract, lease, license or other instrument, which default, in the case of either

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clause (a) or (b), might reasonably be expected to have a Material Adverse Effect or prevent, hinder or delay consummation of the transactions contemplated by this Agreement.

Section 2.24 Contemporaneous Transactions. The Contemporaneous Transactions (as hereinafter defined) have been consummated. The term "Contemporaneous Transactions" shall mean that certain Consent and Fourth Amendment of even date herewith to that certain Credit Agreement dated as of July 25, 2000 among The Williams Companies, Inc., Northwest Pipeline Corporation, Transcontinental Gas Pipe Line Corporation, and Texas Gas Transmission Corporation, as Borrowers, the financial institutions from time to time party thereto, The Chase Manhattan Bank and Commerzbank AG, as Co-Syndication Agents, Credit Lyonnais New York Branch, as Documentation Agent, and Citibank, N.A., as Agent, as amended by a letter agreement dated as of October 10, 2000, by a Waiver and First Amendment dated as of January 31, 2001, by a Second Amendment to Credit Agreement dated as of February 7, 2002, by a Third Amendment dated as of March 3, 2002.

Section 2.25 Reserved.

Section 2.26 Reserved

Section 2.27 Financial Derivatives/Hedging Agreements. Except as set forth on Schedule 2.27 hereto, neither the Company nor any of its Subsidiaries are parties to or otherwise are bound by any Financial Derivative/Hedging Agreement. For purposes of this Section 2.27, Financial Derivative/Hedging Agreement includes (a) any transaction (including an agreement with respect thereto) which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option,

equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) and (b) any combination of these transactions.

Section 2.28 Certain Commercial Contracts. The Seller has or has caused its affiliates to transfer to MAPL all of the Seller's and its affiliates' rights under those contracts set forth in Schedule 2.28.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer hereby represents and warrants as follows:

Section 3.1 Organization. The Buyer is a limited partnership duly formed, validly existing and in good standing under the laws of the state of Delaware and has all requisite power and authority to own its properties and assets and to conduct its business as now conducted. The Buyer is duly qualified to do business as a foreign entity in every jurisdiction where the character

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of the properties owned or leased by the Buyer or the nature of the business conducted by the Buyer makes such qualifications necessary.

Section 3.2 Validity of Agreement. The Buyer has the power to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the performance of the Buyer's obligations hereunder have been duly authorized by the Buyer, and no other proceedings on the part of the Buyer are necessary to authorize such execution, delivery and performance. This Agreement has been duly executed by the Buyer and constitutes the valid and binding obligation of the Buyer enforceable against the Buyer in accordance with its terms (except to the extent that its enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar law affecting the enforcement of creditors' rights generally or by general equitable principles).

Section 3.3 No Conflict or Violation; No Defaults. The execution, delivery and performance by the Buyer of this Agreement does not and will not violate or conflict with any provision of its Organizational Documents and does not and will not violate any applicable provision of law, or any order, judgment or decree of any Governmental Authority, nor violate or result in a breach of or constitute (with due notice or lapse of time or both) a default under any contract, lease, loan agreement, mortgage, security agreement, trust indenture or other agreement or instrument to which the Buyer is a party or by which it is bound or to which any of its properties or assets is subject, nor result in the creation or imposition of any Encumbrance upon any of its properties or assets where such violations, breaches or defaults in the aggregate would have a material adverse effect on the transactions contemplated hereby or on the assets, properties, business, operations or financial condition of the Buyer.

Section 3.4 Consents and Approvals. Except as set forth on Schedule 3.4, no consent, approval, authorization, license, order or permit, or declaration, filing or registration with, or notification to any Governmental Authority or any other person, is required to be obtained by the Buyer or the Buyer's affiliates in connection with the execution and delivery of this Agreement by the Buyer or the performance of the Buyer's obligations hereunder.

Section 3.5 Brokers. None of the Buyer or any of its affiliates has employed the services of an investment broker, financial advisor, broker or finder in connection with the Agreement or any of the transactions contemplated hereby for which the Seller or any affiliate of the Seller would be responsible for paying any fee, commission or other amount.

Section 3.6 Financial Ability. The Buyer has sufficient immediately available funds, in cash, on the date hereof to pay the Purchase Price, as adjusted.

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ARTICLE IV

COVENANTS

Section 4.1 Reserved.

Section 4.2 Reserved.

Section 4.3 Employee Matters.

- (a) The Buyer may offer to employ such Business Employees under such terms and conditions as the Buyer may determine, in its sole discretion, subject, however, to the terms and provisions of this Section 4.3. All Business Employees that accept the Buyer's offer of employment shall become the Buyer's employees as of the Transfer Date and all such Business Employees are hereinafter referred to as the "Transferred Employees." The "Transfer Date" for all Transferred Employees shall be the date upon which the Transition Services Agreement terminates pursuant to its terms.
- (b) Transferred Employees shall be eligible to participate in employee benefit plans and programs of the Buyer on the same basis as other similarly situated employees of the Buyer.
- (c) Each Transferred Employee shall, without duplication of benefits, be given credit for all service with the Sellers prior to the Transfer Date, using the same methodology used by the Sellers as of immediately prior to the Transfer Date for crediting service and determining levels of benefits under all employee benefit plans, programs and arrangements maintained by or contributed to by the Buyer or its affiliates (including, without limitation, the Company) in which the Transferred Employees become participants for purposes of eligibility to participate and vesting.
- (d) The Buyer will, or will cause the Company to, (i) waive all limitations as to preexisting conditions exclusions and waiting periods with respect to participation and coverage requirements applicable to the Transferred Employees under any welfare benefit plans that such employees may be eligible to participate in after the Transfer Date, other than limitations or waiting periods that are already in effect with respect to such employees and that have not been satisfied as of the Transfer Date under any welfare plan maintained for the Transferred Employees immediately prior to the Transfer Date, and (ii) provide each Transferred Employee with credit for any co-payments and deductibles paid prior to the Transfer Date in satisfying any applicable deductible or out-of-pocket requirements under any welfare plans that such employees are eligible to participate in after the Transfer Date.
- (e) Effective as of the Transfer Date, Transferred Employees shall become fully vested in their accrued benefits under the 401(k) plan maintained by the Seller on behalf of such Transferred Employees (the "Seller Savings Plan") and distributions

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of such account balances shall be made available to such Transferred Employees as soon as reasonably practicable following the Transfer Date, in accordance with, the provisions of the Seller Savings Plan and applicable law. Thereafter, the Buyer shall accept rollover contributions from the Seller Savings Plan into a defined contribution or 401(k) plan maintained by the Buyer (the "Buyer Savings Plan") in accordance with the terms of such plan of the account balances distributed to the Transferred Employees from the Seller Savings Plan.

- (f) The Buyer and the Seller shall cooperate as necessary to effectuate the provisions of this Section 4.3, including such steps as may reasonably be required to ensure an orderly transition of benefits coverage with respect to the

Transferred Employees from the Seller Plans to the Buyer's plans.

- (g) Each Transferred Employee shall, without duplication of benefits, be given credit for all accrued but unused paid-time-off under the Seller's paid-time-off program as of the Transfer Date, using the same methodology used by the Seller immediately prior to the Transfer Date for crediting service and determining the amount of such paid-time-off benefits.
- (h) Except as specifically provided in this Section 4.3, the Buyer and its affiliates (including the Company and its Subsidiaries) are not assuming any liability or obligations of the Seller or its affiliates with respect to any employee or former employee of the Seller or any of its affiliates with respect to any Seller Plans.

Section 4.4 Reserved.

Section 4.5 Further Assurances. Upon the request of the Buyer at any time after the Closing Date, the Seller will promptly execute and deliver such further instruments of assignment, transfer, conveyance, endorsement, direction or authorization and other documents as the requesting party or parties or its or their counsel may reasonably request in order to perfect title of the Buyer and its successors and assigns to the Subject Membership Interest or otherwise to effectuate the purposes of this Agreement. If it is determined following the Closing that record and/or beneficial title to any of the Assets, are not held by the Company or its Subsidiaries but rather is held by Seller or any of its affiliates, Seller agrees to and to cause its affiliates to execute such documents, agreements and instruments and take such action as may be reasonably required to cause such title to be effectively transferred and conveyed from Seller or its affiliates to the Company or its Subsidiaries free and clear of any Encumbrances.

Section 4.6 Reserved.

Section 4.7 Reserved.

Section 4.8 Reserved.

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Section 4.9 Non-Solicitation of Employees. During the period commencing on the date of this Agreement and ending on the second anniversary of the Closing Date hereunder, neither the Seller nor any affiliate thereof shall for themselves or on behalf of or in conjunction with any person, directly or indirectly, solicit, endeavor to entice away from the Buyer or its affiliates (including the Company or its Subsidiaries), or otherwise directly or indirectly interfere with the relationship of the Buyer or its affiliates (including the Company or its Subsidiaries) with any person who, to the knowledge of the Seller, is employed by the Buyer or its affiliates (including the Company or its Subsidiaries) and, directly or indirectly, involved with the business or operations of the Company and its Subsidiaries; provided, however, neither the Seller nor any affiliates thereof shall be precluded from soliciting or hiring any such employee:

- (a) who initiates discussions regarding such employment without any direct or indirect solicitation by the Seller or its affiliates;
- (b) whose employment with the Company or its Subsidiaries has been terminated prior to commencement of employment with the Seller or its affiliates; or
- (c) who responds to a general solicitation of employment not specifically addressed to such employees.

Notwithstanding the foregoing, the Seller may continue to employ each Business Employee until such time as such Business Employee becomes a Transferred Employee.

Section 4.10 Reserved.

Section 4.11 Tax Covenants.

- (a) Except to the extent such Taxes are reflected in the Final Working Capital Statement, the Seller shall be liable for, and shall indemnify and hold the Buyer and its affiliates harmless from (i) all liability for Taxes of each of the Company, its Subsidiaries and any predecessors thereto (including MAPCO) for all taxable periods ending on or before the Closing Date; (ii) the portion, determined as described below, of any Taxes which are incurred by the Company, its Subsidiaries or any predecessors thereto (including MAPCO) for any taxable period which begins before and ends after the Closing Date (a "Straddle Period") which is allocable to the portion of the Straddle Period occurring on or before the Closing Date (the "Pre-Closing Period"); (iii) all liability imposed upon the Company or any of its Subsidiaries on account of the inclusion of the Company, its Subsidiaries or any predecessors thereto (including MAPCO) in a consolidated, combined, unitary or similar group, for any period or portion of a period prior to Closing and (iv) any Taxes resulting from the Contributions. The portion of the Taxes for a Straddle Period which are allocable to a Pre-Closing Period shall be determined, in the case of property, ad valorem or franchise Taxes (which are not measured by, or based upon, net income), on a per diem basis and,

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in the case of other Taxes, by assuming that the Pre-Closing Period is a separate taxable period and by taking into account the taxable events during such period.

- (b) The Seller shall prepare and timely file (or cause to be prepared and timely filed), on a basis consistent with prior Tax Returns, all Tax Returns with the appropriate Federal, state, local and foreign governmental agencies relating to the Company, its Subsidiaries and any predecessors thereto (including MAPCO) for taxable periods ending on or prior to the Closing Date and shall timely pay all Taxes required to be paid with respect to such Tax Returns. The Buyer shall prepare and timely file (or cause to be prepared and timely filed), on a basis consistent with prior Tax Returns, all Tax Returns for Straddle Periods required to be filed by the Company or any of its Subsidiaries and shall timely pay all Taxes required to be paid with respect to such Straddle Tax Returns, provided, however, that the Sellers shall promptly reimburse the Buyer for the portion of such Tax that relates to the Pre-Closing Period. The Seller shall furnish to the Buyer all information and records reasonably requested by the Buyer for use in preparation of any Tax Returns. The Buyer and the Seller agree to cause the Company and each of its Subsidiaries after the Closing Date to file all Tax Returns for any Straddle Period on the basis that the relevant taxable period ended as of the close of business on the Closing Date, to the extent permitted by applicable law. The Seller's covenants in respect of responsibility for Taxes as set forth above in this Section 4.11(b) are in no way intended to be duplicative of the adjustments reflected in the Purchase Price pursuant to Section 1.6.
- (c) The Seller shall cause any tax sharing agreement or similar arrangement with respect to Taxes involving the Company, its Subsidiaries or any predecessors thereto (including MAPCO) to be terminated on or before the Closing, to the extent any such agreement or arrangement relates to the Company or its Subsidiaries or any predecessors thereto (including MAPCO), and after the Closing Date neither the Company nor any of its Subsidiaries shall have any obligation to make any payment under any such agreement or arrangement.
- (d) Notwithstanding anything to the contrary in this Section 4.11, all excise, sales, use, transfer (including real property transfer or gains), stamp, documentary, filing, recordation and other similar taxes, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties, resulting directly from the transactions contemplated by this Agreement (the "Transfer Taxes"), shall be borne by the party on which such Transfer Taxes are imposed by applicable law. Notwithstanding anything to the contrary in this Section 4.11, any Tax Returns that must be filed in connection with Transfer Taxes shall be prepared and filed when due by the party primarily or customarily responsible under the applicable local law for filing such Tax Returns, and such party shall use reasonable commercial efforts to provide such Tax Returns to the other party at least 10 days prior to the due date for such Tax Returns.

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- (e) WNGL will cause the MAPL Conversion and the Excluded Subsidiaries Distribution to be treated for Federal income tax purposes as distributions of the assets and liabilities of MAPCO to WNGL pursuant to Section 332 of the Code. The parties agree to treat the purchase of the Subject Membership Interest hereunder for Federal income tax purposes as a purchase by the Buyer from the Seller of an undivided 98% interest in the assets and liabilities of the Company and the Subsidiaries (other than the membership interests in the Subsidiaries) followed immediately by a contribution by the Buyer and the Seller to the Company of their respective undivided 98% and 2% interests in such assets and liabilities. The parties agree to treat the amount paid by the Buyer to Prudential pursuant to Section 1.4(b) for income Tax purposes as additional consideration paid by the Buyer to the Seller for such assets.
- (f) The Buyer and the Seller shall cooperate in good faith to agree within 90 days after the Closing to an allocation of the Purchase Price and the amount paid pursuant to Section 1.4(b), any assumed liabilities and any other relevant items among the assets of the Company and its Subsidiaries, in accordance with Section 1060 of the Code and Treasury Regulations thereunder and any similar provisions of state, local, or foreign law. The Seller and the Buyer agree to complete and file their respective IRS Forms 8594 and similar Tax Forms in accordance with the allocations. The parties further agree that they will report the Tax consequences of the purchase and sale hereunder in a manner consistent with the allocations and that they will not take any positions inconsistent therewith in connection with the filing of any Tax Return.

Section 4.12 Information Technology.

- (a) The parties shall each designate representatives to a migration team (the "IT Migration Team") that shall be responsible for identifying the specific software and hardware necessary for the Company and its Subsidiaries to continue their respective operations in the manner in which they operate as of the Closing Date (the "IT Assets"); provided, the intellectual property rights referenced in Schedule 4.12(a) shall be handled between the Seller and the Company and its Subsidiaries as reflected in said schedule. The IT Migration Team shall also be responsible for developing a detailed plan to include cost estimates and timetables for: conversion and loading of existing data relating to the assets of the Company and its Subsidiaries, integration of the IT Assets into Buyer's information technology systems, and transfer or replacement of IT Asset licenses and maintenance agreements not currently held in Company's or its Subsidiaries' name (the "IT Migration Plan"). The IT Migration Team shall complete the creation of the IT Migration Plan no later than 45 days after Closing. The time for implementation of the IT Migration Plan shall be referred to as the "IT Migration Period."
- (b) Seller shall and shall cause Seller's affiliates to use their respective commercially reasonable best efforts to complete the implementation of the IT Migration Plan as soon as possible following the Closing.

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- (c) On or before the expiration of the IT Migration Period, Seller shall, and shall cause its affiliates, at Seller's sole option, to either: (i) assign to the Company or its Subsidiaries all of their respective right, title and interest in and to the IT Assets, including license and contract rights, and secure any consents necessary for such assignment and for the use by the Seller and its affiliates of the IT Assets on behalf of the Company or the Buyer during the IT Migration Period, provided that the IT Assets transferred hereunder shall provide the Company and its Subsidiaries with a valid and enforceable license or other right to use such IT Assets; or (ii) obtain for the Buyer, on commercially reasonable terms, comparable replacements for any IT Assets not assigned pursuant to (i) above. Except with respect to the transfers/licenses of the CIS, TAS and SCADA systems as specified in Schedule 4.12(a), if the Buyer, during the IT Migration Period, requests that the Seller transfer third party licenses or replace third party software, then the fees for such license transfers or replacements shall be borne by the Buyer. Except for those fees for which the Buyer is responsible in accordance with the preceding sentence, fees for license transfers or replacements shall be borne by the Seller (including any fees for the licenses/transfers of CIS, TAS and SCADA systems). Labor costs related to implementation of the IT Migration Plan shall be borne as follows: The Buyer shall be responsible for labor costs of its employees and representatives (including any independent contractors employed by the Buyer to assist in the IT Migration Plan, and the Seller shall be responsible for labor costs of its employees and representatives (including any independent contractors employed by the Seller or its affiliates to assist in the IT Migration Plan).

Section 4.13 Reserved.

Section 4.14 Bonds. The Seller shall use its reasonable best efforts to maintain the Bonds until they are released and replaced by the Buyer. "Bonds" shall mean all surety bonds, letters of credit, guarantees, cash collateral, performance bonds and bid bonds issued by the Seller and its affiliates (other than the Company and its Subsidiaries) on behalf of the Company or any of its Subsidiaries. The Buyer shall use its reasonable best efforts to replace and release the Bonds as promptly as reasonably practicable after the Closing Date but in no event later than 90 days from the Closing Date. The Buyer shall indemnify, defend and hold harmless the Seller and its affiliates for any and all liability, loss, damage, cost and expense incurred under such Bonds in connection with activities performed after the Closing.

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Section 4.15 Transitional Trademark License. Effective upon the Closing Date, the Seller and the Seller's affiliates hereby grant to the Company, the Subsidiaries of the Company and the Buyer a nonexclusive, nontransferable, royalty-free license, without right to sublicense, to use, solely in the Company's and its Subsidiaries' businesses as they are presently conducted, any and all trademarks, service marks, and trade names owned by the Seller and the Seller's affiliates (other than the Company and its Subsidiaries) solely to the extent appearing on existing inventory, advertising materials and property of the Company or its Subsidiaries (such as signage, vehicles, and equipment) (collectively "Seller's Marks") for a period of six (6) months from the Closing Date ("License Period"). The Buyer, the Company and its Subsidiaries may use such existing inventory, advertising materials and property during the License Period, but shall not create new inventory, advertising materials or property using Seller's Marks. The Buyer, the Company and its Subsidiaries shall promptly replace or remove Seller's Marks on inventory, advertising materials and property, provided that all such use shall cease no later than the end of the License Period. The nature and quality of all uses of the Seller's Marks by the Buyer, the Company and its Subsidiaries shall conform to the Seller's existing quality standards. Immediately upon expiration of the License Period, the Buyer, the Company and its Subsidiaries shall cease all further use of Seller's Marks and shall adopt new trademarks, service marks, and trade names which are not confusingly similar to Seller's Marks. All rights not expressly granted in this section with respect to Seller's Marks are hereby reserved. In the event Buyer, the Company or its Subsidiaries materially breach the provisions of this section, the Seller may immediately terminate the License Period upon twenty (20) days written notice.

Section 4.16 Non-Software Copyright License. Effective upon the Closing Date, the Seller, for themselves and on behalf of their affiliates, hereby grant to the Company, the Subsidiaries of the Company and the Buyer a nonexclusive royalty-free, perpetual license, without right to sublicense, to use, copy, modify, enhance, and to upgrade, solely for their internal business purposes and not as a service bureau, all proprietary manuals, user guides, standards and operation procedures and similar documents owned by Seller and/or its Affiliates and used by Company or its Subsidiaries. All copies of the foregoing must reproduce and include all copyright and other intellectual property rights notices provided by the Seller.

Section 4.17 Intercompany Indebtedness. Immediately prior to the Closing, the Seller shall (a) pay or cause its affiliates to pay to the Company and its Subsidiaries all indebtedness for borrowed money owed by the Seller or any of its affiliates (other than the Company or its Subsidiaries) as of such time and (b) pay to the Company a capital contribution and cause such capital contribution to be applied to pay or satisfy all indebtedness for borrowed money owed by the Company and its Subsidiaries to the Seller or its affiliates (other than the Company and its Subsidiaries) as of such time.

Section 4.18 SEC Required Financial Statements. The Seller, at its sole cost and expense, shall prepare and cause to be delivered to the Buyer prior to September 15, 2002, audited and unaudited financial statements of the Company and its Subsidiaries and their respective operations, in such form and covering such periods as may be required by applicable securities laws to be filed

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with the Securities and Exchange Commission by the Buyer or its affiliates as a result of or in connection with the transactions contemplated by this Agreement. Seller shall further provide and cause its affiliates to provide access to their personnel and books and records to the extent necessary for the Buyer and its representatives to confirm and verify the accuracy of such financial statements.

Section 4.19 Release of Certain Obligations. The Seller, for itself and its affiliates, hereby agrees, from and after the Closing, not to make or allow its affiliates to make any claims against and hereby releases, acquits and discharges the Company and its Subsidiaries and the Buyer from any and all claims, demands, obligations or causes of action which the Seller or its affiliates may have against the Companies or its Subsidiaries or the Buyer out of the activities of the Company and its Subsidiaries prior to the Closing Date, including any claims, demands, obligations or causes of action which have arisen or may arise under any agreements between the Seller or an affiliate of the Seller (other than the Company or its Subsidiaries), on the one hand, and one or more of the Company or its Subsidiaries, on the other hand, to the extent that such agreements have been terminated or have expired in accordance with their terms on or prior to the Closing or are otherwise required to be terminated by the provisions of this Agreement. Nothing in this Section 4.19 shall be interpreted or construed as a release of any claims, demands, obligations or causes of action pursuant to this Agreement or pursuant to agreements which continue beyond the Closing or are entered into following the Closing Date.

Section 4.20 Delivery of Records. The Seller shall as soon as possible following the Closing and in any event no later than 30 days following the Closing deliver to the Buyer all Records (as hereinafter defined) pertaining to the Company, the Company's Subsidiaries and their businesses. The term "Records" shall mean all existing land, title, engineering, environmental, operating, FERC, Department of Transportation and other data (whether electronic or hard copy), files, documents (including design documents), instruments, notes, papers, ledgers, journals, reports, abstracts, surveys, maps, books, records and studies arising out of or relating to the Assets (including the Real Property) or such businesses and which are held by the Seller or its affiliates for use in connection with, the ownership, use, operation or maintenance of the Assets (including the Real Property) or such businesses.

Section 4.21 West Texas LPG Pipeline.

(a) After the Closing, the Seller and its affiliates shall use its reasonable efforts to obtain the agreement of each of the limited partners of West Texas LPG Pipeline Limited Partnership ("West Texas LPG") to the transfer of MAPL's 0.2% general partner interest in West Texas LPG (including all rights, obligations and liabilities relating thereto) (the "GP Interest") to WNGL and the release of MAPL's liability with respect thereto. The Buyer and the Seller further agree that upon obtaining

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the consent of each of the limited partners to the transfer of the GP Interest, the Buyer shall cause MAPL to, in exchange for consideration of \$1.00, promptly transfer and assign the GP Interest to WNGL (it being understood that MAPL shall retain all distributions received in respect of the GP Interest prior to such transfer).

(b) The Seller agrees, at its sole cost and expense, to timely perform and pay all of the obligations of MAPL arising in connection with the GP Interest. Without prejudice to the Buyer's rights under Article VIII, the Seller hereby indemnifies and agrees to defend, save and hold the Buyer Indemnified Parties (as defined in Section 8.2(a)) harmless for any Loss (as defined in Section 8.2(a)) suffered by any such Buyer Indemnified Party at any time or from time to time arising out of, relating to or resulting from the ownership of the GP Interest and/or the operation and maintenance of the assets owned by West Texas LPG, in either case, whether relating to periods of time prior to or after the Closing.

Section 4.22 Farm Fuel Lease.

(a) The Buyer and the Seller shall cooperate and use all reasonable efforts to obtain (i) the consent of the lessor to the assignment to WNGL of that certain Fuel Farm Lease Plot #2, dated January 19, 1989, between the Memphis-Shelby County Airport Authority, as lessor, and Mid-America Pipeline Company, as lessee (the "Fuel Farm Lease"), within 120 days after the Closing, including all rights, liabilities and obligations of the lessee thereunder, and (ii) the full and unconditional release of Mid-America Pipeline Company and its successors and assigns from all liabilities and obligations arising out of, relating to or resulting from the Fuel Farm Lease. The Seller is entitled to all benefits under such lease and Buyer shall cause MAPL to exercise its rights under such lease at the Seller's direction.

(b) The Seller agrees, at its sole cost and expense, to timely perform and pay all of the obligations of MAPL arising under the Fuel Farm Lease. Without prejudice to the Buyer's rights under Article VIII, the Seller hereby indemnifies and agrees to defend, save and hold the Buyer Indemnified Parties harmless for any Loss suffered by any such Buyer Indemnified Party at any time or from time to time arising out of, relating to or resulting from the Fuel Farm Lease or the liabilities or obligations of the lessee thereunder, in any case, whether relating to periods of time prior to or after the Closing, including, without limitation, the obligations of the lessee to remove any and all improvements installed by it and to restore the leased premises to their original condition.

Section 4.23 Connection Agreement.

(a) The Buyer and the Seller shall cooperate and use all reasonable efforts to obtain (i) the consent of the parties to the assignment to WNGL of that certain Connection Agreement, dated August 6, 1984, by and among MAPCO and the Capline System owners referred to therein (the "Connection Agreement"), within 120 days after the Closing, including all rights, liabilities and obligations of MAPCO thereunder, and (ii) the full and unconditional release of MAPCO and its successors and

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assigns from all liabilities and obligations arising out of, relating to or resulting from the Connection Agreement. The Seller is entitled to all benefits under such agreement and Buyer shall cause MAPL to exercise its rights under such agreement at the Seller's direction.

(b) The Seller agrees, at its sole cost and expense, to timely perform and pay all of the obligations of MAPL arising under the Connection Agreement. Without prejudice to the Buyer's rights under Article VIII, the Seller hereby indemnifies and agrees to defend, save and hold the Buyer Indemnified Parties harmless for any Loss suffered by any such Buyer Indemnified Party at any time or from time to time arising out of, relating to or resulting from the Connection Agreement or the liabilities or obligations of MAPCO thereunder, in any case whether relating to periods of time prior to or after the Closing, including, without limitation, the obligation of MAPCO to remove at its sole risk and expense the connection facilities referred to therein from the Capline Owners' right-of-way.

Section 4.24 Other Agreements.

(a) The Seller shall use reasonable efforts to transfer and assign that certain Special Provisions Agreement ("Special Provisions Agreement") by and between WNGL, fka MAPCO Natural Gas Liquids, Inc., and Phillips Chemical Company dated as of October 9, 1997 to MAPL as soon as possible following the Closing. MAPL shall be entitled to all benefits and shall, at its sole cost and expense, timely perform and pay all obligations under such agreement from and after the Closing. The Seller shall cause WNGL to exercise its rights under such agreement at the Buyer's discretion.

(b) The Buyer agrees, at its sole cost and expense, to timely perform and pay all of the obligations of Seller arising under the Special Provisions Agreement. Without prejudice to the Seller's rights under Article VIII, the Buyer hereby indemnifies and agrees to defend, save and hold the Seller Indemnified Parties harmless for any Loss suffered by any such Seller Indemnified Party at any time or from time to time arising out of, relating to or resulting from the Special Provisions Agreement or the liabilities or obligations of Seller thereunder, in any case whether relating to periods of time prior to or after the Closing.

ARTICLE VI

RESERVED.

ARTICLE VII

RESERVED.

ARTICLE VIII

INDEMNIFICATION

Section 8.1 Survival. The respective representations and warranties of the parties hereto contained herein or in any certificates or other documents delivered pursuant to this Agreement on the Closing shall survive the Closing for a period of 18 months following the Closing Date; provided however, that the representations and warranties set forth in Section 2.2 (Capitalization; Title) shall survive indefinitely, the representations and warranties set forth in Section 2.21 (Environmental; Health and Safety Matters) shall survive until the fifth anniversary of the Closing Date and the representations and warranties in Section 2.9 (Taxes) shall survive for a period equal to the applicable statute of limitations (including any extensions thereof). The respective covenants and agreements of the parties hereto contained herein or in any certificates or other documents delivered pursuant to this Agreement on the Closing shall survive the Closing for indefinitely.

Section 8.2 Indemnification Coverage.

- (a) Notwithstanding the Closing or the delivery of the Subject Membership Interest and the Golden Unit, and regardless of any investigation at any time made by or on behalf of the Buyer or of any knowledge or information that the Buyer may have the Seller hereby indemnifies and agrees to defend, save and hold the Buyer, the Company, the Subsidiaries of the Company and each of their officers, directors, employees, agents and affiliates (other than the Seller) (collectively, the "Buyer Indemnified Parties") harmless for any damage, judgment, fine, penalty, demand, settlement, liability, loss, cost, Tax, expense (including reasonable attorneys', consultants' and experts' fees), claim or cause of action (each, a "Loss") suffered by any such Buyer Indemnified Party at any time or from time to time arising out of, relating to or resulting from any of the following:
- (i) any breach or inaccuracy in any representation by the Seller or the breach of any warranty by the Seller contained in this Agreement or any certificates or other documents delivered pursuant to this Agreement on Closing;

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- (ii) any failure by the Seller to perform or observe any term, provision, covenant, or agreement on the part of the Seller to be performed or observed under this Agreement;
- (iii) the Reorganization Transactions; or
- (iv) the Excluded Subsidiaries or any assets or obligations of such entities.
- (b) Notwithstanding the Closing or the delivery of the Subject Membership Interest and the Golden Unit and regardless of any investigation at any time made by or on behalf of the Seller or of any knowledge or information that the Seller may have, the Buyer hereby indemnifies and agrees to defend, save and hold the Seller and their officers, directors, employees, agents and affiliates (collectively, the "Seller Indemnified Parties") harmless for any Loss suffered by any such Seller Indemnified Party at any time or from time to time arising out of, relating to or resulting from any of the following:
- (i) any breach or inaccuracy in any representation by the Buyer or the breach of any warranty by the Buyer contained in this Agreement or any certificates or other documents delivered pursuant to this Agreement on Closing; or
- (ii) any failure by the Buyer to perform or observe any term, provision, covenant, or agreement on the part of the Buyer to be performed or observed under this Agreement.
- (c) The foregoing indemnification obligations shall be subject to the following limitations:
- (i) the Seller's aggregate liability under Section 8.2(a)(i), and 8.2(a)(iii) and the Buyer's aggregate liability under Section 8.2(b)(i) shall not, in either case, exceed 30% of the Purchase Price (the "Cap"); provided, however, that the Cap shall not be applicable to breaches by Seller under Section 2.2 and 2.9;
- (ii) no indemnification for any Losses asserted against the Buyer or the Seller, as the case may be, under Section 8.2(a)(i) or Section 8.2(b)(i) shall be required unless and until the cumulative aggregate amount of such Losses exceeds \$8,000,000 (the "Threshold"), at which point the Seller or the Buyer, as the case may be, shall be obligated to indemnify the Indemnified Party (as hereinafter defined) only as to the amount of such Losses in excess of \$1,000,000 (the "Deductible"), subject to the limitation in Section 8.2(c)(i); provided, however, that the Threshold and the Deductible shall not be applicable to breaches under Sections 2.2, and 2.9;
- (iii) the amount of any Losses suffered by a Seller Indemnified Party or a Buyer Indemnified Party, as the case may be, shall be

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reduced by any third-party insurance which such party actually receives in respect of or as a result of such Losses. If any Losses for which indemnification was provided hereunder is subsequently reduced by any third-party insurance or other indemnification benefit or recovery actually received by the party for which indemnification was provided, the amount of the reduction shall be remitted to the Indemnifying Party (as hereinafter defined);

- (iv) no claim may be asserted nor may any action be commenced (A) against the Seller for breach or inaccuracy of any representation or breach of a warranty, unless written notice of such claim or action is received by the Seller describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or action on or prior to the date on which the representation or warranty on which such claim or action is based ceases to survive as set forth in Section 8.1 (it being agreed and understood that if a claim for a breach of a representation or warranty is timely made, the representation or warranty shall survive until the date on which such claim is finally liquidated or otherwise resolved), or (B) against the Buyer for breach or inaccuracy of any representation or breach of a warranty, unless written notice of such claim or action is received by the Buyer describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or action on or prior to the date on which the representation or warranty on which such claim or action is based ceases to survive as set forth in Section 8.1 (it being agreed and understood that if a claim for a breach of a representation or warranty is timely made, the representation or warranty shall survive until the date on which such claim is finally liquidated or otherwise resolved); and
- (v) an Indemnified Party shall not be entitled under this Agreement to multiple recovery for the same Losses.
- (d) Notwithstanding anything in this Agreement to the contrary (including, without limitation, the provisions of Section 8.2(c)(i) and (ii)), Seller hereby indemnifies and agrees to defend, save and hold the Buyer harmless from all

Losses suffered by the Buyer resulting from any judgment or order by a Governmental Authority to return or reassign the Subject Membership Interest or the Golden Unit or the underlying assets of the Company and its Subsidiaries to the Seller or any affiliate of the Seller.

Section 8.3 Procedures. Any Indemnified Party shall notify the Indemnifying Party (with reasonable specificity) promptly after it becomes aware of facts supporting a claim or action for indemnification under this Article VIII, and shall provide to the Indemnifying Party as soon as practicable thereafter all information and documentation in its possession reasonably necessary to support and verify any Losses associated with such claim or action. Subject to Section 8.2(v), the failure to so notify the

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Indemnifying Party shall not relieve the Indemnifying Party of any liability that it may have to any Indemnified Party, except to the extent that the Indemnifying Party demonstrates that it has been materially prejudiced by the Indemnified Party's failure to give such notice, in which case the Indemnifying Party shall be relieved from its obligations hereunder to the extent and only to the extent of such material prejudice. The Indemnifying Party shall defend, contest or otherwise protect the Indemnified Party against any such claim or action by counsel of the Indemnifying Party's choice at its sole cost and expense; provided, however, that the Indemnifying Party shall not make any settlement or compromise without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed) unless the sole relief provided is monetary damages that are paid in full by the Indemnifying Party. The Indemnified Party shall have the right, but not the obligation, to participate at its own expense in the defense thereof by counsel of the Indemnified Party's choice and shall in any event use its reasonable best efforts to cooperate with and assist the Indemnifying Party. If the Indemnifying Party fails timely to defend, contest or otherwise protect against such suit, action, investigation, claim or proceeding, the Indemnified Party shall have the right to do so, including, without limitation, the right to make any compromise or settlement thereof, and the Indemnified Party shall be entitled to recover the entire cost thereof from the Indemnifying Party, including, without limitation, reasonable attorneys' fees, disbursements and amounts paid as the result of such suit, action, investigation, claim or proceeding.

Section 8.4 Remedy. Absent fraud, and except for seeking equitable relief, from and after the Closing the sole remedy of a party in connection with (i) a breach or inaccuracy of the representations, or breach of warranties, in this Agreement or any certificates or other documents delivered pursuant to this Agreement on Closing, or (ii) any failure by a party to perform or observe any term, provision, covenant, or agreement on the part of such party to be performed or observed under this Agreement, shall, in each case, be as set forth in this Article VIII.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 9.1 Publicity. On or prior to the Closing Date, neither party shall, nor shall it permit its affiliates to, issue or cause the publication of any press release or other announcement with respect to this Agreement or the transactions contemplated hereby without the consent of the other party hereto. Notwithstanding the foregoing, in the event any such press release or announcement is required by law or stock exchange rule to be made by the party proposing to issue the same, such party shall use its reasonable best efforts to consult in good faith with the other party prior to the issuance of any such press release or announcement.

Section 9.2 Successors and Assigns; No Third-Party Beneficiaries. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns; provided, however, that neither party shall assign or delegate any of the obligations created under this Agreement without the prior written consent of the other party. Except as

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contemplated by Article VIII, nothing in this Agreement shall confer upon any person or entity not a party to this Agreement, or the legal representatives of such person or entity, any rights or remedies of any nature or kind whatsoever under or by reason of this Agreement.

Section 9.3 Investment Bankers, Financial Advisors, Brokers and Finders.

- (a) The Seller shall indemnify and agree to defend and hold the Buyer Indemnified Parties harmless against and in respect of all claims, losses, liabilities and expenses which may be asserted against any Buyer Indemnified Parties by any broker or other person who claims to be entitled to an investment banker's, financial advisor's, broker's, finder's or similar fee or commission in respect of the execution of this Agreement or the consummation of the transactions contemplated hereby, by reason of his acting at the request of the Seller, the Company or any of their Affiliates.
- (b) The Buyer shall indemnify and agree to save and hold the Seller Indemnified Parties harmless against and in respect of all claims, losses, liabilities, fees, costs and expenses which may be asserted against them by any broker or other person who claims to be entitled to an investment banker's, financial advisor's, broker's, finder's or similar fee or commission in respect of the execution of this Agreement or the consummation of the transactions contemplated hereby, by reason of his acting at the request of the Buyer or any of its affiliates (other than the Company or any Subsidiary of the Company).

Section 9.4 Fees and Expenses. Except as otherwise expressly provided in this Agreement, all legal, accounting and other fees, costs and expenses of a party hereto incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such fees, costs or expenses; provided, however, that the Seller shall be solely responsible for all legal, accounting and other fees, costs and expenses incurred by the Seller and the Company and the Subsidiaries of the Company.

Section 9.5 Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made if delivered personally or sent by overnight courier or sent by facsimile (with evidence of confirmation of receipt) to the parties at the following addresses:

- (a) If to the Buyer, to:

Enterprise Products Operating L.P.
c/o Enterprise Products GP, LLC
2727 N. Loop West, Suite 700
Houston, Texas 77008
Facsimile: (713) 880-6960
Attention: President

with a copy to:

Enterprise Products GP, LLC
2727 N. Loop West, Suite 700
Houston, Texas 77008
Facsimile: (713) 880-6960
Attention: Chief Legal Officer

- (b) If to the Seller, to:

The Williams Companies, Inc.,
Williams Natural Gas Liquids, Inc.
One Williams Center
Tulsa, Oklahoma 74172

Skadden, Arps, Slate, Meagher and Flom LLP
Four Times Square
New York, NY 10036
Facsimile: (212) 735-2000
Attention: Nancy A. Lieberman, Esq.

or to such other persons or at such other addresses as shall be furnished by either party by like notice to the other, and such notice or communication shall be deemed to have been given or made as of the date so delivered or mailed. No change in any of such addresses shall be effective insofar as notices under this Section 9.5 are concerned unless such changed address is located in the United States of America and notice of such change shall have been given to such other party hereto as provided in this Section 9.5.

Section 9.6 Entire Agreement. This Agreement, together with the Disclosure Schedules and the exhibits hereto, represent the entire agreement and understanding of the parties in connection with the purchase and sale of the Subject Membership Interest and the Golden Unit and no representations or warranties have been made in connection with this Agreement other than those expressly set forth herein or in the Disclosure Schedules, exhibits, certificates and other documents delivered in accordance herewith. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings and agreements between the

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parties relating to the subject matter of this Agreement and all prior drafts of this Agreement, all of which are merged into this Agreement. No prior drafts of this Agreement and no words or phrases from any such prior drafts shall be admissible into evidence in any action or suit involving this Agreement.

Section 9.7 Waivers and Amendments. The Seller, as a group, or the Buyer, may by written notice to the other:

- (a) extend the time for the performance of any of the obligations or other actions of the other;
- (b) waive any inaccuracies in the representations or warranties of the other contained in this Agreement or in any document delivered pursuant to this Agreement by the other party;
- (c) waive compliance with any of the covenants of the other contained in this Agreement;
- (d) waive performance of any of the obligations of the other created under this Agreement; or
- (e) waive fulfillment of any of the conditions to its own obligations under this Agreement or in any documents delivered pursuant to this Agreement by the other party. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach, whether or not similar, unless such waiver specifically states that it is to be construed as a continuing waiver. This Agreement may be amended, modified or supplemented only by a written instrument executed by the parties hereto.

Section 9.8 Severability. This Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.

Section 9.9 Titles and Headings. The Article and Section headings and any table of contents contained in this Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of this Agreement or of any term or provision hereof.

Section 9.10 Signatures and Counterparts. Facsimile transmission of any signed original document and/or retransmission of any signed facsimile transmission shall be the same as delivery of an original. At the request of the Buyer or the Seller, the parties will confirm facsimile transmission by signing a duplicate original document. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

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Section 9.11 Enforcement of the Agreement. The parties hereto agree that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereto, this being in addition to any other remedy to which they are entitled at law or in equity. In no event shall any party hereto be entitled to any punitive, incidental, indirect, special or consequential damages resulting from or arising out of this Agreement or the transactions contemplated hereby.

Section 9.12 Governing Law. This Agreement shall be governed by and construed in accordance with the internal and substantive laws of Delaware and without regard to any conflicts of laws concepts which would apply the substantive law of some other jurisdiction.

Section 9.13 Certain Definitions. For purposes of this Agreement, the term:

- (a) "affiliate" of a person means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first mentioned person: the Company and its Subsidiaries shall be deemed to be affiliates (i) of the Seller prior to the Closing and (ii) of the Buyer from and after the Closing.
- (b) "Assets" means all of the assets (including Real Property, and tangible and intangible assets) used or necessary for the conduct of the Company's and its Subsidiaries' businesses as they are presently conducted and as conducted immediately prior to the Contributions, excluding (i) the assets of the Excluded Subsidiaries and (ii) the Omnibus Excluded Assets.
- (c) "Material Adverse Effect" means a material adverse effect on the assets, properties, business, operations, net income or financial condition of the Company and its Subsidiaries taken as a whole, it being understood that none of the following shall be deemed to constitute a Material Adverse Effect: (i) any effect resulting from entering into this Agreement or the announcement of the transactions contemplated by this Agreement; and (ii) any effect resulting from changes in the United States or global economy as a whole, except for such effects which disproportionately impact the Company and its Subsidiaries.
- (d) "Omnibus Excluded Assets" means (i) the Intellectual Property which is being addressed through the IT Migration Plan and Transition Services Agreement, (ii) any assets that are designated under this Agreement or the Transition Services Agreement as excluded assets or shared assets to be retained by Seller or its affiliates, and (iii) assets that are used primarily in

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the conduct of the business and operation of the business of the Seller or any of its affiliates (other than Company or its Subsidiaries) immediately following the Closing.

- (e) "person" means an individual, corporation, association, trust, limited liability company, limited partnership, limited liability partnership, partnership, incorporated organization, other entity or group (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934).

(f) "Pipeline Systems" means the natural gas liquids and other pipelines, lateral lines, pumps, pump stations and other related machinery and equipment that are located on or under the Real Property and that are used or necessary for the conduct of the Company's and its Subsidiaries' businesses as they are presently conducted and as conducted immediately prior to the Contributions.

(g) "Seminole Purchase Agreement" means that certain Purchase Agreement between Oaktree and E-Cypress, LLC of even date herewith.

Section 9.14 Reserved.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

E-BIRCHTREE, LLC

By: /s/ Alan Armstrong
Name: Alan Armstrong
Title: Vice President

ENTERPRISE PRODUCTS OPERATING L.P

By: Michael A. Creel
Name: Michael A. Creel
Title: Executive Vice President

Schedule 1.4(b)

MAPCO Note Agreements

1. Mid-America Pipeline Company Note Agreement with The Prudential Insurance Company of America dated as of April 30, 1992 for \$15,000,000 of 8.51% Series A Senior Notes due April 30, 2007.
2. Mid-America Pipeline Company Note Agreement with The Prudential Insurance Company of America dated as of May 20, 1992 for \$35,500,000 of 8.95% Senior Notes due April 30, 2012.
3. Mid-America Pipeline Company Note Agreement with The Prudential Insurance Company of America dated as of July 13, 1992 for \$15,000,000 of 8.20% Senior Notes due July 1, 2012.
4. Mid-America Pipeline Company Note Agreement with The Prudential Insurance Company of America dated as of July 20, 1992 for \$14,500,000 of 8.59% Senior Notes due July 1, 2017.
5. Mid-America Pipeline Company Note Agreement with The Prudential Insurance Company of America dated as of November 20, 1992 for \$15,000,000 of 8.70% Senior Notes due November 20, 2022.

SCHEDULE 2.8(b)

Certain Changes and Conduct of Business

1. made any material change in the conduct of its businesses or operations;
2. made any change in its Organizational Documents or issued any additional equity securities or granted any option, warrant or right to acquire any equity securities or issue any security convertible into or exchangeable for its equity securities or altered any term of any of its outstanding securities or made any change in its outstanding equity securities or other ownership interests or in its capitalization, whether by reason of a reclassification, recapitalization, stock split or combination, exchange or readjustment of shares, stock dividend or otherwise;
3. other than in the ordinary course of business, (A) incurred, assumed or guaranteed any indebtedness for borrowed money, issue any notes, bonds, debentures or other corporate securities or granted any option, warrant or right to purchase any thereof or (B) issued any securities convertible or exchangeable for debt securities of the Company or any Subsidiary;
4. made any sale, assignment, transfer, abandonment or other conveyance of any of its assets or any part thereof except for dispositions of inventory or of worn-out or obsolete equipment for fair or reasonable value in the ordinary course of business consistent with past practices;
5. subjected any of its assets, or any part thereof, to any Encumbrance other than a Permitted Encumbrance, or permitted the imposition of any Encumbrance other than a Permitted Encumbrance;
6. redeemed, retired, purchased or otherwise acquired, directly or indirectly, any of its equity interests or declared, set aside or paid any dividends or other distribution in respect of such equity interests;
7. acquired any assets or properties other than in the ordinary course of business consistent with past practices;
8. entered into any new or materially amend any existing employee benefit plan, program or arrangement or any employment, severance or consulting agreement, grant any general increase in the compensation of officers or employees (including any such increase pursuant to any bonus, pension, profit-sharing or other plan or commitment) or granted any increase in the compensation payable or to become payable to any employee, except in accordance with pre-existing contractual provisions;
9. made or committed to make any capital expenditure or to invest, advance, loan, pledge or donate any monies to any clients or other persons or to make any similar commitments with respect to outstanding bids or proposals, except as disclosed on Schedule 4.1;
10. paid, except in the ordinary course of business consistent with past practices, loaned or advanced any amount to, or sold, transferred or leased any properties or assets to, or entered into any agreement or arrangement with, any of its affiliates;
11. intentionally took any other action that would cause any of the representations and warranties made herein not to remain true and correct in all material respects;
12. made any loan, advance or capital contribution to or investment in any person;
13. other than routine compliance filings, made any filings or submit any documents or information to FERC without prior consultation with the Buyer;

14. entered into any material settlement of any pending or threatened litigation;
15. consented to the entry of any decree or order by a governmental body or pay any fine or penalty that would have a Material Adverse Effect;
16. other than in connection with the Reorganization Transactions, merged into or with or consolidated with any other corporation or acquired all or substantially all of the business or assets of any corporation, person or entity;
17. entered into any agreement or amendment, modification, or termination of any contract, lease, or license to which the Company or any Subsidiary is a party, or by which it or any of its assets or properties are bound, except those agreements, amendments, modifications or terminations effected in the ordinary course of business consistent with past practices; or
18. committed itself to do any of the foregoing.

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Schedule 2.28

The following contracts:

1. Aux Sable ethane purchase.
2. Aux Sable propane purchase.
3. Aux Sable propane exchange.
4. Equistar exchange (associated with Aux Sable).
5. Ethane incentive tariff and earned storage rights (Conway to MTBV).
6. Pioneer-Fain plant NGL production purchase.
7. Pioneer-Satanta plant NGL production purchase.

Schedule 4.12

- a. Customer Information Solution (CIS) - to be owned by MAPL with a nonexclusive, royalty free, transferable license to WNGL
 - (i) Third party interactive components
 - (A) Client App - PowerBuilder 6.5, Sybase/PowerSoft
 - (B) WEB App - Visual Studio 6.0 (ASP, COM), Microsoft Corporation
 - (C) WEB Encryption - Security Socket Certificate, VeriSign, Inc.
 - (D) Engines - PL/SQL, Oracle Corporation
 - (E) Measurement Calculation Program - C/C++, IBM
 - (F) Measurement Calculation Program (stand-alone) - Visual Basic, Microsoft Corporation
 - (G) Predictive Models - NuralWare
 - (H) Web and Report Servers - NT 4.0, Microsoft Corporation
 - (I) Unix Servers - AIX 4.3.3, IBM
 - (J) Database - Oracle 8.0.6, Oracle Corporation
 - (K) Batch Scheduler - Autosys
 - (L) App Security - Applock
 - (M) App Distribution - InstallShield Prof, Install Shield Software Corp.
 - (N) Backup and Recovery - TSM Backup Systems
 - (O) Code Management - Visual SourceSafe 6.0, Microsoft Corporation
- b. Terminal Automation System (truck terminals) - nonexclusive, royalty free, transferable license to MAPL
- c. Geographic Information System (GIS) - nonexclusive, royalty free, transferable license to MAPL
 - (i) third party interactive components
 - (A) ArcView, ESRI Corporation
- d. Maintenance Management System - nonexclusive, royalty free, transferable license to MAPL
- e. Natural Gas Liquids SCADA System - hardware to be owned by MAPL; nonexclusive royalty free license of software to MAPL
 - (i) Metso (Val Met) Oasys 5.2 - licensed to MAPCO Natural Gas Liquids Inc.
 - (ii) Soaris Unix 2.6
 - (iii) Sybase 10.9.x
 - (iv) Metso Operator @ Web
 - (v) Honeywell Uniformance - Process Historian
 - (vi) Acrom - licensed to Williams Energy Services
 - (vii) C2 Technologies Broker Software - Licensed to Mid America Pipeline Co.
 - (viii) Siemens/TI - Soft Shop
 - (ix) National Instruments - Lookout

- (x) Acrom Control Systems - CIS software
- (xi) GE - Versepro
- (xii) Allen-Bradley - RS Logix
- (xiii) PC Anywhere

PURCHASE AGREEMENT

by and between

E-BIRCHTREE, LLC

and

E-CYPRESS, LLC

Dated as of

July 31, 2002

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PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "Agreement") is made and entered into as of this 31st day of July, 2002, by and between E-Birchtree, LLC, a Delaware limited liability company (the "Seller"), and E-Cypress, LLC, a Delaware limited liability company (the "Buyer").

W I T N E S S E T H:

WHEREAS, Williams Natural Gas Liquids, Inc., a Delaware corporation ("WNGL"), owned 100% of the issued and outstanding equity interests of Mid-America Pipeline Company, a Delaware corporation ("MAPCO"), and 80% of each class of issued and outstanding capital stock of Seminole Pipeline Company, a Delaware corporation ("Seminole," and such interest in such capital stock, the "Seminole Stock");

WHEREAS, MAPCO was converted (the "MAPL Conversion") into Mid-America Pipeline Company, LLC, a Delaware limited liability company ("MAPL") and WNGL owned all of the issued and outstanding limited liability company interests in MAPL immediately following the MAPL Conversion (the "MAPL Membership Interests");

WHEREAS, MAPL distributed ("Excluded Subsidiaries Distribution") all of its equity interests in the Juarez Pipeline Company and MAPL Investments, Inc. to WNGL (such entities, together with any subsidiaries of such entities, the "Excluded Subsidiaries");

WHEREAS, Williams Midstream Natural Gas Liquids, Inc., a Delaware limited liability company ("WMNGL") owned (i) the natural gas liquids terminals described on Exhibit A to the Mapletree Purchase Agreement (defined below) and (ii) the storage and other facilities (the "Terminals and Storage Assets") described on Exhibit B to the Mapletree Purchase Agreement;

WHEREAS, WMNGL formed and owned 100% of the issued and outstanding limited liability company interests (the "Sapling Membership Interests") of Sapling, LLC, a Delaware limited liability company ("Sapling") and contributed the Terminals and Storage Assets to Sapling (the "Sapling Asset Transfer");

WHEREAS, WMNGL distributed the Sapling Membership Interests to The Williams Companies, Inc., a Delaware corporation ("WMB"), which then contributed the Sapling Membership Interests to WNGL, which then contributed the Sapling Membership Interests to MAPL (such distribution and contribution, together with the Sapling Asset Transfer, collectively the "Sapling Contributions");

WHEREAS, WNGL has formed and owned 100% of the issued and outstanding limited liability company interests (the "Mapletree Membership Interests") of Mapletree, LLC, a Delaware limited liability company ("Mapletree");

WHEREAS, WNGL contributed the MAPL Membership Interests to Mapletree (the "MAPL Contributions");

WHEREAS, WNGL has formed and owned 100% of the issued and outstanding limited liability company interests of E-Oaktree, LLC, a Delaware limited liability company (the "Company") (such interests, the "Company Membership Interest");

WHEREAS, WNGL contributed the Seminole Stock to the Company (the "Seminole Contributions");

WHEREAS, except for the Class B Unit, as defined in the amended and restated limited liability company agreement of Seller (the "Seller Golden Unit"), which unit has not been issued prior to the transactions contemplated by the Purchase Agreement by and between Seller and Enterprise Products Operating L.P. ("Buyer Parent") dated as of even date herewith (the "Mapletree Purchase Agreement"), WNGL has formed and owns 100% of the issued and outstanding limited liability company interests of Seller ("Seller Membership Interests" and together with the Company Membership Interest, the "Membership Interests");

WHEREAS, WNGL contributed the Mapletree Membership Interests and the Company Membership Interest to Seller (the "Seller Contributions" and, together with the Sapling Contributions, the Seminole Contributions and the MAPL Contributions, the "Contributions");

WHEREAS, upon the terms and subject to the conditions set forth herein the Seller desires to sell to the Buyer, and the Buyer desires to purchase from Seller 98% of the Company Membership Interests (the "Subject Membership Interest").

NOW, THEREFORE, in consideration of the mutual terms, conditions and other agreements set forth herein, the parties hereto hereby agree as follows:

ARTICLE I

SALE AND PURCHASE

Section 1.1 Agreement to Sell and to Purchase. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing (as hereinafter defined), the Seller shall sell, assign, transfer, convey and deliver to the Buyer the Subject

Membership Interest free and clear of any pledges, restrictions on transfer, proxies and voting or other agreements, liens, claims, charges, mortgages, security interests or other legal or equitable encumbrances, limitations or restrictions of any nature whatsoever ("Encumbrances"), and the Buyer shall purchase and accept the Subject Membership Interest from Seller, in exchange for an aggregate purchase price of \$254,800,000 payable as set forth in Section 1.4(b) (the "Purchase Price").

Section 1.2 Closing. The closing of the sale and purchase of Subject Membership Interest (the "Closing") shall take place at 10:00 A.M. one business day after the satisfaction or waiver of the last to be satisfied of the conditions contained in

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Articles V and VI (other than those conditions that by their nature are to be fulfilled at Closing) or at such other time and date as the parties hereto shall agree in writing (the "Closing Date"), at the offices of Vinson and Elkins L.L.P., 1001 Fannin Street, Suite 2300, Houston, Texas 77002 or at such other place as the parties hereto shall agree in writing.

Section 1.3 Deliveries by the Seller.

- (a) On the date hereof, the Seller is delivering to the Buyer or its designee:
- (i) resolutions of the Board of Directors of the Seller authorizing the execution, delivery and performance of this Agreement and a certificate of an officer of the Seller, dated as of the date of this Agreement, to the effect that such resolutions were duly adopted and are in full force and effect;
 - (ii) a copy of the fairness opinion delivered by Merrill Lynch to Seller or its affiliates covering the transactions under this Agreement;
 - (iii) a guaranty agreement, in form and substance reasonably satisfactory to the Buyer, duly executed by WMB and WNGL; and
 - (iv) properly executed Internal Revenue Service Forms 8832 electing to treat the Seller and the Company as corporations for federal income tax purposes effective July 29, 2002, which forms shall be returned to Seller upon receipt of evidence that identical forms have been properly filed with the Internal Revenue Service.
- (b) At the Closing, the Seller shall deliver to the Buyer or its designee:
- (i) an amended and restated limited liability company agreement of the Company in the form and substance satisfactory to Buyer;
 - (ii) resolutions of the Board of Directors of the Seller authorizing the execution, delivery and performance of this Agreement and a certificate of an officer of the Seller, dated as of the Closing Date, to the effect that such resolutions were duly adopted and are in full force and effect;
 - (iii) a release, in form and substance reasonably satisfactory to the Buyer, duly executed by WMB and WNGL; and

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- (iv) all other previously undelivered documents required to be delivered by the Seller to the Buyer at or prior to the Closing Date.

Section 1.4 Deliveries by the Buyer.

- (a) On the date hereof, the Buyer is delivering to the Seller resolutions of the Board of Directors of the general partner of the Buyer authorizing the execution, delivery and performance of this Agreement and a certificate of an officer of the general partner of the Buyer, dated as of the date of this Agreement, to the effect that such resolutions were duly adopted and are in full force and effect;
- (b) Upon the Closing, the Buyer shall deliver to the Seller:
- (i) the Purchase Price by delivery of cash, by wire transfer of immediately available funds to the account or accounts specified by the Seller in a written notice to be delivered to the Buyer two business days prior to the Closing;
 - (ii) resolutions of the Board of Directors of the general partner of the Buyer authorizing the execution, delivery and performance of this Agreement and a certificate of an officer of the general partner of the Buyer, dated as of the date of this Agreement, to the effect that such resolutions were duly adopted and are in full force and effect;
 - (iii) an amended and restated limited liability company agreement of the Company in the form and substance satisfactory to the Buyer; and
 - (iv) all other previously undelivered documents required to be delivered by the Buyer to the Seller at or prior to the Closing Date.

ARTICLE II

REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller hereby represents and warrants as follows:

Section 2.1 Corporate Organization. The Seller and the Company are each limited liability companies duly organized and validly existing under the laws of Delaware. The Seller, the Company and each of the Subsidiaries (as defined below in Section 2.3) of the Company have all requisite power and authority and all governmental licenses, authorizations, permits, consents and approvals to own their respective properties and assets and to conduct their businesses as now conducted, except for immaterial

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failures to have such licenses, authorizations, permits, consents and approvals. The Seller, the Company and each of the Subsidiaries of the Company are duly qualified to do business as a foreign entity and are in good standing in every jurisdiction where the character of the properties owned or leased by them or the nature of the business conducted by them makes such qualification necessary, except where the failure to be so qualified or in good standing would not individually or in the aggregate have a Material Adverse Effect (as defined in Section 9.13). Schedule 2.1 sets forth all of the jurisdictions in which the Seller, the Company and each of the Subsidiaries of the Company are qualified to do business. Copies of the Organizational Documents (as defined below) of the Seller and each of its Subsidiaries with all amendments thereto to the date hereof, have been furnished by the Seller to the Buyer or their representatives, and such copies are accurate and complete as of the date hereof. "Organizational Documents" shall mean certificates of incorporation, by-laws, certificates of formation, limited liability company operating agreements, partnership or limited partnership agreements or other formation or governing documents of a particular entity.

Section 2.2 Capitalization; Title. Prior to the issuance of the Seller Golden Unit to Buyer Parent, all of the outstanding Seller Membership Interests are owned of record and beneficially by WNGL, free and clear of any Encumbrances. The outstanding Company Membership Interest is owned of record and beneficially by Seller, free and clear of any Encumbrances. The Seminole Stock is owned of record and beneficially by the Company, free and clear of any Encumbrances except as set forth on Schedule 2.2. All of the Membership Interests and the Seminole Stock have been duly authorized and validly issued. Except for this Agreement, the Mapletree Purchase Agreement and as set forth on Schedule 2.2, there are no outstanding options, warrants, agreements, conversion rights, preemptive rights or other rights to subscribe for, purchase or otherwise acquire any of the Membership Interests. There are no voting trusts or other agreements or understandings to which any of the Seller or any of its Subsidiaries is a party with respect to the voting of the Membership Interests. There is no indebtedness of the Company having general voting rights issued and outstanding. Except for this Agreement and the Seminole Purchase Agreement, there are no

outstanding obligations of any person to repurchase, redeem or otherwise acquire outstanding Membership Interests or any securities convertible into or exchangeable for any Membership Interests. The Seller has valid and marketable title to the Subject Membership Interest and the sale and transfer of the Subject Membership Interest by the Seller to the Buyer hereunder will transfer title to the Subject Membership Interest to the Buyer free and clear of any Encumbrances.

Section 2.3 Subsidiaries and Equity Interests. Except for the Company, MAPL, Sapling, Mapletree and Seminole, which are Subsidiaries of the Seller, the Seller does not own, directly or indirectly, any shares of capital stock, voting rights or other equity interests or investments in any other person or any interests in any other asset. Except for the Seminole Stock, the Company does not own, directly or indirectly, any shares of capital stock, voting rights or other equity interests or investments in any other person. "Subsidiary" shall mean, with respect to a specified person, any person in which such specified person owns, directly or indirectly, any shares of capital stock, voting rights or other equity interests or investments. The Company and each of its

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Subsidiaries do not have any rights to acquire by any means, directly or indirectly, any capital stock, voting rights, equity interests or investments in another person. All references in this Agreement to the Company and its Subsidiaries shall in no way be deemed to include any reference to assets or businesses previously owned by the Company or its Subsidiaries which were distributed out of such entities (including, without limitation, the Excluded Subsidiaries) prior to the Closing.

Section 2.4 Validity of Agreement; Authorization. The Seller has the power to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by the Seller, and no other proceedings on the part of the Seller are necessary to authorize such execution, delivery and performance. This Agreement has been duly executed by each of the Seller and constitutes the Seller's valid and binding obligation enforceable against the Seller in accordance with its terms (except to the extent that its enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar law affecting the enforcement of creditors' rights generally or by general equitable principles). Each of the Seminole Contribution and the contribution of the Company Membership Interest to the Seller (collectively, the "Reorganization Transactions") were duly authorized, and the instruments executed in connection therewith (the "Reorganization Instruments") were duly executed and constitute the valid and binding obligations enforceable against the parties thereto (the "Reorganization Parties") in accordance with their terms (except to the extent that their enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar law affecting the enforcement of creditors' rights generally or by general equitable principles).

Section 2.5 No Conflict or Violation. Except as set forth on Schedule 2.5, (x) the execution, delivery and performance by the Seller of this Agreement and the documents to be delivered at the Closing and (y) the execution, delivery and performance of the Reorganization Instruments by the Reorganization Parties, does not and will not:

- (a) violate or conflict with any provision of the Organizational Documents of the Seller, the Company or any of its Subsidiaries or any other Reorganization Party;
- (b) materially violate any applicable provision of a material law, statute, judgment, order, writ, injunction, decree, award, rule, or regulation of any foreign, federal, tribal, state or local government, court, arbitrator, agency or commission or other governmental or regulatory body or authority ("Governmental Authority");
- (c) materially violate, result in a material breach of, constitute (with due notice or lapse of time or both) a material default or cause any material obligation, penalty or premium to arise or accrue under, accelerate or permit the acceleration of the performance required by, or require any consent, authorization or approval under (i) any material contract, lease, loan agreement, mortgage, security agreement, trust indenture or other material agreement or instrument to which the Seller, the

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Company, or any of its Subsidiaries or any other Reorganization Party are a party or by which any of them is bound or to which any of their respective properties or assets is subject or (ii) any mortgage, security agreement, trust indenture, loan or debt agreement or any other agreement or instrument evidencing indebtedness for money borrowed to which the Seller or any of its affiliates, the Company, any of its Subsidiaries or any other Reorganization Party is a party or by which any of them is bound or to which any their respective properties or assets is subject; or

- (d) result in the creation or imposition of any Encumbrance except Permitted Encumbrances upon any of the properties or assets of the Seller or any of its affiliates, the Company or any of its Subsidiaries.

Section 2.6 Consents and Approvals. Except as set forth on Schedule 2.6, no material consent, approval, authorization, license, order or permit, or declaration, filing or registration with, or notification to any Governmental Authority or any other person, is required to be obtained by the Seller or the Seller's affiliates (including, without limitation, the Company and its Subsidiaries) in connection with the Reorganization Transactions, the execution and delivery of this Agreement by the Seller or the performance of the Seller's obligations hereunder. Except as set forth on Schedule 2.6, the Reorganization Transactions do not (a) breach, violate or result in any default under any agreements or instruments to which the Seller or any of the Seller's affiliates (including the Company and its Subsidiaries) are parties or otherwise are bound or (b) trigger, violate or otherwise create any right in or for any person under any right of first refusal, preferential rights to purchase or similar rights applicable in connection with the Reorganization Transactions or the transactions contemplated by this Agreement.

Section 2.7 Financial Statements. The Seller has heretofore furnished to the Buyer copies of the audited financial statements of Seminole as of December 31, 2001 and the unaudited financial statements of Seminole as of June 30, 2002 (collectively, the "Financial Statements"). The Financial Statements were prepared on the basis of the information contained in the books and records of Seminole in accordance with U.S. generally accepted accounting principles consistently applied. Except as described on Schedule 2.7, the Financial Statements fairly present in all material respects the financial position, results of operations and changes in cash flow of Seminole as of the dates of such Financial Statements and for the periods then ended (subject to normal year-end audit adjustments consistent with prior periods).

Section 2.8 Absence of Certain Changes or Events. Except as set forth in Schedule 2.8(a) and except for the Reorganization Transactions, since (x) December 31, 2001, the business of the Company and its Subsidiaries has been conducted in the ordinary course consistent with past practices and (y) June 30, 2002, neither the Company nor any of its Subsidiaries has taken any of the actions described in Section 4.1(a), except in connection with entering into this Agreement. Since June 30, 2002, there has not been:

- (a) any material destruction of, damage to, or loss of, any material asset of the Company or its Subsidiaries (whether or not covered by insurance) that has not been repaired or replaced;

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- (b) any material citation received, or to the Seller's knowledge, any other citation received by the Seller, the Company or any of its Subsidiaries for any material violations of any act, law, rule, regulation, or code of any Governmental Authority related to the activities or business of the Seller, the Company or any of its Subsidiaries; or
- (c) any other event or condition of any character that has had, or would reasonably be expected to have, a Material Adverse Effect.

Section 2.9 Tax Matters.

- (a) For purposes of this Agreement, (i) "Tax Returns" shall mean returns, reports, exhibits, schedules, information statements and other documentation (including any additional or supporting material) filed or maintained, or required to be filed or maintained, in connection with the calculation, determination, assessment or collection of any Tax and shall include any amended returns; (ii) "Tax" or "Taxes" shall mean any and all Federal, state, local, foreign and other taxes, levies, fees,

imposts, duties and charges of whatever kind (including any interest, penalties or additions to the tax imposed in connection therewith or with respect thereto), including, without limitation, taxes imposed on, or measured by, income, franchise, profits or gross receipts, ad valorem, value added, sales, use, service, real or personal property, capital stock, license, payroll, withholding, employment, social security, workers' compensation, unemployment compensation, utility, severance, production, excise, stamp, occupation, premium, windfall profits, transfer and gains taxes and customs duties; (iii) the "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provision of succeeding law) and (iv) "Treasury Regulations" shall mean the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time.

- (b) Except as disclosed on Schedule 2.9, (i) all income and other material Tax Returns required under applicable law to be filed by or with respect to the Company or any of its Subsidiaries have been timely filed; (ii) all such Tax Returns are true, correct and complete in all material respects; (iii) all income and other material Taxes required to be paid by or with respect to the Company or any of its Subsidiaries (whether or not shown on any Tax Return) have been timely paid; (iv) there is no action, suit, proceeding, audit or claim now pending or threatened in writing against, or with respect to, the Company or any of its Subsidiaries in respect of any income or other material Tax or income or other material Tax assessment; (v) all deficiencies or assessments asserted against or with respect to income or other material Taxes of the Company or any of its Subsidiaries by any Tax authority have been paid or fully and finally settled and, to the knowledge of Seller, no issue previously raised in writing by any such Tax authority reasonably could be expected to result in a material

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assessment on or after the date hereof; (vi) no written claim has been made by any Tax authority in a jurisdiction where the Company or any of its Subsidiaries does not currently file a Tax Return that any of them are or may be subject to Tax by such jurisdiction, nor to the Seller's knowledge has any such assertion been threatened in writing; (vii) there are no extensions or outstanding requests for extensions of time within which to pay Taxes or file Tax Returns of or with respect to the Company or any of its Subsidiaries; (viii) there has been no waiver, extension or request for extension of any applicable statute of limitations for the assessment or collection of any Taxes of the Company or any of its Subsidiaries; (ix) valid elections to treat the Seller and the Company as corporations effective July 29, 2002 for federal income tax purposes have been filed with the Internal Revenue Service; (x) the Seller is not a "foreign person" within the meaning of Section 1445 of the Code; (xi) neither the Company nor any of its Subsidiaries is a party to any agreement, whether written or unwritten, providing for the payment of Taxes, payment for Tax losses, entitlements to refunds or similar Tax matters; (xii) each of the Company and its Subsidiaries has withheld and paid all material Taxes required to be withheld by it in connection with any amounts paid or owing to any employee, creditor, independent contractor or other third party; (xiii) there are no liens, pledges, charges, claims, restrictions on transfer, mortgages, security interests or other encumbrances of any sort (collectively "Liens") on the assets of the Company or any of its Subsidiaries relating to or attributable to Taxes, other than Liens for Taxes not yet due and payable or Taxes being contested in good faith by appropriate proceedings; (xiv) each of the Seller, the Company and its Subsidiaries are members of the affiliated group, within the meaning of Section 1504 of the Code, of which WMB is the common parent (the "Seller Parent Group") (Seminole having been a member since March 27, 1998); (xv) neither the Company nor any of its Subsidiaries, except for Seminole, has been a member of an affiliated group (within the meaning of Section 1504 of the Code) or an affiliated, combined, consolidated, unitary or similar group for state, local or foreign Tax purposes, other than the Seller Parent Group; (xvi) neither the Company nor any of its Subsidiaries has any liability for the Taxes of any person (other than the Seller Parent Group) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign law), as a transferee or successor, by contract or otherwise; (xvii) neither the Company nor any of its Subsidiaries is a party to any contract, agreement, plan or arrangement that, individually or in the aggregate, could give rise to the payment of any amount that would not be deductible pursuant to Section 280G or 162(m) of the Code; (xviii) neither the Company nor any of its Subsidiaries has constituted either a "distributing corporation" or a "controlled corporation" in a distribution of stock qualifying for tax-free treatment under Section 355 of the Code in the two years prior to the date of this Agreement or in a distribution which could otherwise constitute part of a "plan" or "series of related transactions" (within the meaning of Section 355(e) of the Code) in conjunction with the transactions contemplated by this Agreement; (xix) none of the assets or properties of the Company or any of its Subsidiaries is required to be treated as tax-exempt use property within the meaning of Section

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168(h)(1) of the Code; (xx) neither the Company nor any of its Subsidiaries has participated in a reportable transaction within the meaning of Treasury Regulations Section 1.6011-4T or participated in a transaction that has been disclosed pursuant to IRS Announcement 2002-2, 2002-2 I.R.B. 304; and (xxi) the Financial Statements include adequate provision under generally accepted accounting principles for all unpaid Taxes of the Company and its Subsidiaries as of the date thereof.

Section 2.10 Absence of Undisclosed Liabilities.

- (a) Except as disclosed on Schedule 2.10, the Company and its Subsidiaries have no material, individually or in the aggregate, indebtedness or liability, absolute or contingent, direct or indirect, which is not shown or provided for in the Financial Statements other than liabilities incurred or accrued in the ordinary course of business (including liens for current Taxes not yet due and payable and assessments not in default) since December 31, 2001. Except for liabilities arising in connection with its ownership of the Company or Mapletree or under the Mapletree Purchase Agreement, Seller has no indebtedness or liability, absolute or contingent, direct or indirect.
- (b) None of the Company or any of its Subsidiaries is obligated for any "off balance sheet indebtedness" which, but for the structure of such indebtedness would be required to be reflected on a balance sheet in accordance with generally accepted accounting principles.

Section 2.11 Real and Personal Property; Sufficiency of Assets of the Company.

- (a) Except as set forth on Schedule 2.11(a), the Company or one of its Subsidiaries owns marketable fee title to, or holds a valid leasehold interest in, or right-of-way easements through (collectively, the "Rights of Way") all material real property (collectively, "Real Property") used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions and except for the Omnibus Excluded Assets, the Company or one of its Subsidiaries has good and valid title to all of the material tangible assets used or necessary for the conduct of the Company's and its Subsidiaries' businesses as they are presently conducted and as conducted immediately prior to the Contributions or which material tangible assets are reflected on the Financial Statements (except for assets sold, consumed or otherwise disposed of in the ordinary course of business since the date of the Financial Statements) and (ii) all such material Real Property and assets (other than Rights of Way) are owned or leased by the Company or its Subsidiaries free and clear of all Encumbrances, except for (A) Encumbrances set forth on Schedule 2.11(a), (B) liens for current Taxes not yet due and payable or for Taxes the validity of which is being contested in good faith in appropriate proceedings, (C) rights of way, laws, ordinances and regulations affecting building use and occupancy (collectively, "Property Restrictions") imposed or promulgated by law or any Governmental Authority with respect

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to Real Property, including zoning regulations, provided they do not materially adversely affect the current use of the applicable real property, and (D) mechanics', carriers', workmen's and repairmen's liens and other Encumbrances of any kind, if any, which do not materially detract from the value of or materially interfere with the present use of any Real Property or assets subject thereto or affected thereby and which have arisen or been incurred in the ordinary course of business (clauses (A) through (D) above are referred to collectively as "Permitted Encumbrances"). All Rights of Way used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, are owned or leased by the Company or one of its Subsidiaries, free and clear of all Encumbrances created by the Seller, any affiliate of the Seller, the Company or any Subsidiary of Company, except for the Permitted Encumbrances. The Pipeline Systems are contiguous to all points of delivery and receipt, except for such failures to be contiguous that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

- (b) There are no material structural defects relating to any of the improvements to the Real Property (including, without limitation, the Pipeline Systems) and all tangible assets and seasonal property used or necessary for the conduct of the

Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, are in good operating condition, ordinary wear and tear and obsolescence excepted. To the Company's knowledge, all improvements to the real property used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, do not encroach in any respect on property of others (other than encroachments that would not materially impair the operations of the Company and its Subsidiaries currently conducted thereon).

- (c) Except as set forth on Schedule 2.11(c) and except for the Omnibus Excluded Assets, the assets owned, leased or licensed by the Company and its Subsidiaries constitute all of the assets and rights used by the Seller, the Seller's affiliates, the Company and its Subsidiaries to conduct the businesses of the Company and its Subsidiaries and the operation of the Pipeline Systems as they are presently conducted and as conducted immediately prior to the Contributions.
- (d) Except as set forth on Schedule 2.11(d), there is no pending or, to the Seller's knowledge, threatened condemnation of any part of the Real Property used or necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, by any Governmental Authority which would materially adversely affect the Company's or its Subsidiaries' use of such Real Property.

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Section 2.12 Regulatory Matters.

- (a) None of the Company or any of its Subsidiaries is a "Natural Gas Company" as that term is defined in Section 2 of the Natural Gas Act ("NGA"). None of the Company or its Subsidiaries is a "public utility company," "holding company" or "subsidiary" or "affiliate" of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935 (the "1935 Act"). No approval of (i) the Securities and Exchange Commission under the 1935 Act or (ii) FERC under the NGA, the Interstate Commerce Act ("ICA") or the Federal Power Act is required in connection with (x) the Reorganization Transactions, (y) the execution of this Agreement by the Seller or (z) the performance of the transactions contemplated hereby by the Seller.
- (b) Reserved.
- (c) The Company and its Subsidiaries have all licenses, permits and authorizations (other than licenses or permits for the use of land) issued or granted by Governmental Authorities that are necessary for the conduct of the Company's and its Subsidiaries' businesses, as they are presently conducted and as conducted immediately prior to the Contributions, except for such failures that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

Section 2.13 Intellectual Property.

- (a) Except as set forth on Schedule 2.13(a) and for such matters as would not have a Material Adverse Effect, each of the Company and its Subsidiaries owns all right, title and interest in and to, or has a valid and enforceable license or other right to use, all the Intellectual Property (as defined below) used by the Company in connection with its business, which represents all Intellectual Property rights necessary for the Company to conduct its business as presently conducted.
- (b) Neither the Company nor any of its Subsidiaries has violated, materially infringed upon or unlawfully or wrongfully used the intellectual property of others, and neither of the Company's nor any of its Subsidiaries' Intellectual Property or any related rights as used in the businesses now or heretofore conducted by the Company or any of its Subsidiaries, materially infringes upon or otherwise materially violates the rights of others, nor has any person or Governmental Authority asserted in writing a material claim of such infringement or misuse or initiated (or indicated in writing any present or future intention to initiate) any material proceeding with respect to such Intellectual Property.
- (c) Except as set forth on Schedule 2.13(c), neither the Company nor any of its Subsidiaries will from and after the Closing be obligated to make any payments for royalties, fees or otherwise to any person in connection with any of the

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Company's or any of its Subsidiaries' Intellectual Property. None of the Seller, the Company or any of its Subsidiaries is aware of any infringement of the Company's or any of its Subsidiaries' Intellectual Property, and there are no pending infringement actions against another for infringement of the Company's or any of its Subsidiaries' Intellectual Property or theft of trade secrets.

- (d) The only representations and warranties given in respect of Intellectual Property and matters and agreements relating thereto are those contained in this Section 2.13, and none of the other representations and warranties shall be deemed to constitute, directly or indirectly, a representation and warranty in respect of Intellectual Property and matters or agreements relating thereto.
- (e) As used in this Agreement, "Intellectual Property" shall mean the trademarks, service marks, trade names, inventions, trade secrets, copyrights and domain names used in connection with the Company's or its Subsidiaries' businesses.

Section 2.14 Compliance with Law. Except as relates to Tax matters (which are provided for in Section 2.9), NGA, ICA and the 1935 Act matters (which are provided for in Section 2.12), or environmental, health and safety matters (which are provided for in Section 2.21) and except as set forth on Schedule 2.14, the operations of the Company, its Subsidiaries and their respective Assets have been conducted in material compliance since December 31, 2001, with all applicable material laws, licenses, regulations, orders and other material requirements of all Governmental Authorities having jurisdiction over the Company and any Subsidiary and their assets, properties and operations. Except as relates to Tax matters (which are provided for in Section 2.9), NGA, ICA and the 1935 Act matters (which are provided for in Section 2.12) or environmental, health and safety matters (which are provided for in Section 2.21), none of the Seller, the Seller's affiliates, the Company or its Subsidiaries has materially violated, been charged with materially violating or, to the knowledge of Seller or any of its affiliates, been threatened with a charge of materially violating of any such law, license, regulation, order or other legal requirement, or are in material default with respect to any material order, writ, judgment, award, injunction or decree of any Governmental Authority, in each case as applicable to the Company, its Subsidiaries or any of the Company's and its Subsidiaries' assets, properties or operations.

Section 2.15 Litigation. Except as set forth on Schedule 2.15 as of the date hereof, there are no Legal Proceedings (as hereinafter defined) pending or, to the knowledge of the Seller, the Seller's affiliates, the Company or its Subsidiaries, threatened against or involving the Seller, any of the Seller's affiliates, the Company or any of its Subsidiaries that, individually or in the aggregate, are reasonably likely to:

- (a) incur damages or costs to the Company or any of its Subsidiaries in excess of \$500,000;

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- (b) have a Material Adverse Effect; or
- (c) materially impair or delay the ability of the Seller to perform their obligations under this Agreement or consummate the transactions contemplated by this Agreement.

Except as set forth on Schedule 2.15 as of the date hereof, there is no order, judgment, injunction or decree of any Governmental Authority outstanding against the Seller, the Company or any of its Subsidiaries or any of Seller's affiliates with respect to the Assets that, individually or in the aggregate, would have any effect referred to in the foregoing clauses (a) and (b). "Legal Proceeding" shall mean any judicial, administrative or arbitral actions, suits, proceedings (public or private), investigations or governmental proceedings before any Governmental Authority.

Section 2.16 Contracts. Except for Commitments (as defined below in Section 2.16(o)) listed on Schedule 2.13(a) or Schedule 2.18(a), Schedule 2.16 sets forth (subject to the dollar amount limitations of clauses (b) or (c) below) a true and complete list of the following contracts, agreements, instruments and commitments to which the Company or any of its Subsidiaries is a party or otherwise relating to or affecting any of the Assets or the operations of the Company or any of its Subsidiaries, whether written or oral:

- (a) any material contracts, agreements and commitments not made in the ordinary course of business;
- (b) contracts calling for payments by or to the Company or any of its Subsidiaries of amounts greater than \$1,000,000;
- (c) contracts, loan agreements, letters of credit, repurchase agreements, mortgages, security agreements, guarantees, pledge agreements, trust indentures and promissory notes and similar documents relating to the borrowing of money or for lines of credit;
- (d) agreements with respect to the sharing or allocation of Taxes or Tax costs;
- (e) agreements for the sale of any material assets, property or rights other than in the ordinary course of business or for the grant of any options or preferential rights to purchase any material assets, property or rights;
- (f) documents granting any power of attorney with respect to the affairs of the Company or its Subsidiaries;
- (g) suretyship contracts, performance bonds, working capital maintenance, support agreements, contingent obligation agreements and other forms of guaranty agreements;

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- (h) any material contracts or commitments limiting or restraining the Company or any Subsidiary from engaging or competing in any lines of business or with any person;
- (i) with respect to natural gas liquids, any transportation agreements, product purchase agreements, fractionation agreements, processing agreements, balancing agreements, interconnection agreements and storage agreements other than terminaling contracts terminable on notice of one year or less;
- (j) any collective bargaining agreements;
- (k) any contracts between the Company or its Subsidiaries, on the one hand, and the Seller or its affiliates (other than the Company or its Subsidiaries), on the other hand;
- (l) any indemnification agreements not made in the ordinary course of business;
- (m) any material partnership, joint venture or similar agreements;
- (n) capital leases; and
- (o) all amendments, modifications, extensions or renewals of any of the foregoing (the types of contracts, agreements and documents described in subsections (a) through (o) are hereinafter referred to collectively as the "Commitments" and individually as a "Commitment").

Each Commitment is valid, binding and enforceable against the Company and/or each Subsidiary of the Company that is a party thereto in accordance with its terms, and in full force and effect on the date hereof (except to the extent that its enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar law affecting the enforcement of creditors' rights generally or by general equitable principles). The Company and each of its Subsidiaries, as the case may be, have performed in all material respects all obligations required to be performed by them under, and are not in material default or breach of in respect of, any Commitment, and no event has occurred which, with due notice or lapse of time or both, would constitute such a default. To the knowledge of the Seller and the Company or any of its Subsidiaries, no other party to any Commitment is in default in any material respect thereof, and no event has occurred which, with due notice or lapse of time or both, would constitute such a default. The Seller has made available to the Buyer or its representatives true and complete originals or copies of all the Commitments and a copy of every material default notice received by the Seller or the Company or any of its Subsidiaries during the past one year with respect to any of the Commitments.

Section 2.17 Books and Records of the Company. The books of account, minute books, record books, and other records of the Company and its Subsidiaries, all of which have been made available to the Buyer or its representatives, are complete and correct in all material respects.

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Section 2.18 Employee Plans.

(a) Except as set forth in Schedule 2.18(a), neither the Company nor any of its Subsidiaries sponsors or maintains or has any liability or obligation with respect to, and at any time during the past five years or, if longer, for any period for which an applicable statute of limitations has not expired, has not sponsored, maintained or had any liability or obligation with respect to, any "employee benefit plan," as defined under Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or any other bonus, pension, stock option, stock purchase, benefit, welfare, profit-sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred compensation and other similar fringe or employee benefit plans, funds, programs or arrangements, whether written or oral ("Employee Plans"), in each of the foregoing cases which cover, are maintained for the benefit of, or relate to any or all current or former employees of the Company. Schedule 2.18(a) sets forth a true and complete list of all Employee Plans which cover, are maintained for the benefit of, or relate to any or all employees of the Seller or its affiliates who are assigned to or perform services primarily for the business of the Company or its Subsidiaries (the "Business Employees," and such Employee Plans hereinafter referred to as the "Seller Plans"). For purposes of determining Business Employees, a person shall be deemed to be performing services primarily for the business of the Company or any of its Subsidiaries if such person spends at least 50% of their working time in the conduct of the business of operations of the Company or its Subsidiaries.

(b) The Company and its Subsidiaries have no current or former employees. Schedule 2.18(b) sets forth a true and complete list showing the names of all Business Employees. Except as set forth on Schedule 2.18(b), there are no contracts, agreements, plans or arrangements covering any Business Employee with "change of control", severance or similar provisions that would be triggered as a result of the consummation of this Agreement or that could otherwise result in liability to the Company or its Subsidiaries. To the Seller's and the Company's knowledge, no Business Employee is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of such employee's efforts to promote the interests of the Company or the Buyer or that would conflict with the Company's or its Subsidiaries' business as conducted or proposed to be conducted.

(c) None of the employees who provide services to the Company or its Subsidiaries are covered by collective bargaining agreements and, to the Seller's knowledge, there are no union or labor organization efforts respecting such employees.

(d) Neither the Company nor any of its Subsidiaries will have any liability to any person for compensation pursuant to employment or termination of employment as a result of consummating the transactions contemplated by this Agreement.

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Section 2.19 Insurance.

- (a) Schedule 2.19 sets forth a true and complete list of all policies of property and casualty insurance, including crime insurance, liability and casualty insurance, property insurance, business interruption insurance, workers' compensation, excess or umbrella liability insurance and any other type of property and casualty insurance insuring the properties, assets, employees and/or operations of the Company or its Subsidiaries (collectively, the "Policies"). Upon request, the Seller will make available to the Buyer certificates of insurance and insurance summaries from the insurance broker evidencing the existence of the Policies. All premiums payable under such Policies have been paid in a timely manner and the Seller, the Seller's affiliates, the Company and the Company's Subsidiaries have complied fully with the terms and conditions of all such Policies.
- (b) Except as set forth on Schedule 2.19, all such Policies are in full force and effect and coverage of the Company and its Subsidiaries under the Policies will terminate upon the Closing Date. The Seller shall use its reasonable best efforts to cause the Company and its Subsidiaries to maintain the coverage under all Policies (or replacements thereof for Policies expiring prior to the Closing Date) in full force and effect through the Closing Date. Neither the Company nor any of its Subsidiaries is in default under any provisions of the Policies, and there is no claim by the Seller, the Seller's affiliates, the Company or any Subsidiary of the Company or any other person pending under any of the Policies as to which coverage has been questioned, denied or disputed by the underwriters or issuers of such Policies. Except as set forth on Schedule 2.19, none of the Seller, the Seller's affiliates, the Company or any Subsidiary of the Company has received written notice from an insurance carrier issuing any Policies that alteration of any equipment or any improvements located on Real Property, purchase of additional equipment, or modification of any of the methods of doing business of the Company or its Subsidiaries, will be required or suggested after the date hereof. The Policies are adequate in accordance with industry standards, the requirements of any applicable agreements and are in at least the minimum amounts required by, and are otherwise sufficient for purposes of, any currently applicable law, rule, or regulation of any Federal, state or local government, agency or authority, including, without limitation, environmental regulations. All Policies are of at least like character and amount as are customarily carried by like businesses similarly situated.

Section 2.20 Transactions with Directors, Officers and Affiliates. Except as set forth on Schedule 2.20 and for intercompany transactions in the ordinary course of business, since December 31, 2001, there have been no transactions between the Company or its Subsidiaries and any director, officer, employee, stockholder, member or other "affiliate" (as such term is defined in Rule 405 under the Securities Act of 1933, as amended (the "Securities Act")) of the Company, or any Subsidiary or the Seller, including, without limitation, loans, guarantees or pledges to, by or for the Company or Subsidiary from, to, by or for any of such

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persons. Except as set forth on Schedule 2.11(d), neither the Seller nor any of their "affiliates" (as such term is defined in Rule 405 under the Securities Act) (other than the Company or any Subsidiary) owns or has any rights in or to any of the assets, properties or rights used by the Company or its Subsidiaries in the ordinary course of their business.

Section 2.21 Environmental; Health and Safety Matters.

(a) Except as set forth on Schedule 2.21:

- (i) the Company and its Subsidiaries and their respective operations and the Assets are in material compliance with all applicable Environmental Laws, and have been in material compliance with Environmental Laws and, in the case of pipeline safety, prudent industry practices, except for non-compliance that would not reasonably be expected to result in the Company or its Subsidiaries incurring material liabilities under applicable Environmental Laws;
- (ii) none of the Seller, the Company or its Subsidiaries has received any written request for information, or has been notified that it is a potentially responsible party, under CERCLA (as hereinafter defined) or any similar state law with respect to any on-site or off-site location for which material liability is currently being asserted against them with respect to the activities or operations of the Company or its Subsidiaries;
- (iii) there are no material writs, injunctions, decrees, orders or judgments outstanding, or any actions, suits, proceedings or investigations pending or to their knowledge threatened, involving the Company or its Subsidiaries relating to (A) their compliance with any Environmental Law, or (B) the release, disposal, discharge, spill, treatment, storage or recycling of Hazardous Materials into the environment at any location which would reasonably be expected to result in the Company or any Subsidiary incurring any material liability under Environmental Laws;
- (iv) the Company and its Subsidiaries have obtained, currently maintain and are in material compliance with all material licenses which are required under Environmental Laws for the operation of their respective businesses (collectively, "Environmental Permits"), all such material Environmental Permits are in effect and no appeal nor any other action is pending to revoke any such material Environmental Permit;
- (v) there have been no Releases of Hazardous Materials at any current or former property owned, leased or operated by the Company or its Subsidiaries that are reasonably likely to result in material liabilities under applicable Environmental Laws after the Closing Date;

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- (vi) there have been no ruptures in the Pipeline Systems resulting in injury, loss of life, or material property damage, except to the extent that any liabilities or costs arising as a result of such ruptures have been fully resolved so that the Seller does not expect that the Company or its Subsidiaries will incur material liabilities or costs after the Closing Date; and
- (vii) to the knowledge of the Seller and its affiliates, there are no defects, corrosion or other damage to any of the Pipeline Systems that would create a material risk of pipeline integrity failure.

(b) The following terms shall have the following meanings:

"Environmental Claim" shall mean any notice of violation, action, claim, lien, demand, abatement or other order or directive (conditional or otherwise) by any person or Governmental Authority for personal injury (including sickness, disease or death), tangible or intangible property damage, damage to the environment (including natural resources), nuisance, pollution, contamination, trespass or other adverse effects on the environment, or for fines, penalties or restrictions resulting from or based upon (i) the existence, or the continuation of the existence, of a Release (including, without limitation, sudden or non-sudden accidental or non-accidental Releases) of, or exposure to, any Hazardous Material, odor or audible noise; (ii) the transportation, storage, treatment or disposal of Hazardous Materials; or (iii) the violation, or alleged violation, of any Environmental Laws or Permits issued thereunder.

"Environmental Law" shall mean current local, county, state, federal, and/or foreign law (including common law), statute, code, ordinance, rule, regulation or other legal obligation relating to the protection of the environment or natural resources, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. section 9601 et seq.), as amended ("CERCLA"), the Resource Conservation and Recovery Act (42 U.S.C. section 6901 et seq.), as amended ("RCRA"), the Federal Water Pollution Control Act (33 U.S.C. section 1251 et seq.), as amended, the Clean Air Act (42 U.S.C. section 7401 et seq.), as amended, the Toxic Substances Control Act (15 U.S.C. section 2601 et seq.), as amended, the Occupational Safety and Health Act (29 U.S.C. section 651 et seq.), as amended, the Federal Natural Gas Pipeline Safety Act of 1968, as amended, the Hazardous Materials Transportation Act (49 U.S.C. section 1801 et seq.), as amended, the Oil Pollution Act (33 U.S.C. section 2701 et seq.), the Safe Drinking Water Act (42 U.S.C. section 300(f) et seq.), as amended, analogous state, tribal or local laws, and any similar, implementing or successor law, and any amendment, rule, regulation, or directive issued thereunder.

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"Hazardous Material" shall mean any substance, material or waste which is regulated by any Environmental Law as hazardous,

toxic, a pollutant, contaminant or words of similar meaning including, without limitation, petroleum, petroleum products, asbestos, urea formaldehyde and polychlorinated biphenyls.

"Release" shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of a Hazardous Material.

(c) The representations set forth in this Section 2.21 are the Seller's sole and exclusive representation and warranties related to any environmental matters.

Section 2.22 Brokers. Neither Seller nor any of Seller's affiliates has employed the services of a broker or finder in connection with this Agreement or any of the transactions contemplated hereby for which the Buyer, the Buyer's affiliates, the Company or any of the Subsidiaries of the Company would be responsible for paying any fee, commission or other amount.

Section 2.23 No Default. The Company and each of its Subsidiaries is not in default under, and no condition exists that with notice or lapse of time or both would constitute a default under (a) any judgment, order or injunction of any court, arbitrator or governmental agency or (b) any other agreement, contract, lease, license or other instrument, which default, in the case of either clause (a) or (b), might reasonably be expected to have a Material Adverse Effect or prevent, hinder or delay consummation of the transactions contemplated by this Agreement.

Section 2.24 Contemporaneous Transactions. The Contemporaneous Transactions (as hereinafter defined) have been consummated. The term "Contemporaneous Transactions" shall mean that certain Consent and Fourth Amendment of even date herewith to that certain Credit Agreement dated as of July 25, 2000 among The Williams Companies, Inc., Northwest Pipeline Corporation, Transcontinental Gas Pipe Line Corporation, and Texas Gas Transmission Corporation, as Borrowers, the financial institutions from time to time party thereto, The Chase Manhattan Bank and Comemrzbank AG, as Co-Syndication Agents, Credit Lyonnais New York Branch, as Documentation Agent, and Citibank, N.A., as Agent, as amended by a letter agreement dated as of October 10, 2000, by a Waiver and First Amendment dated as of January 31, 2001, by a Second Amendment to Credit Agreement dated as of February 7, 2002, by a Third Amendment dated as of March 3, 2002.

Section 2.25 Bank Accounts. Schedule 2.25 includes the names and locations of all banks in which the Seller or any of its affiliates (including the Company and its Subsidiaries) has an account or safe deposit box relating to the business or operations conducted by the Company or its Subsidiaries.

Section 2.26 Reserved.

Section 2.27 Reserved Financial Derivatives/Hedging Agreements. Except as set forth on Schedule 2.27 hereto, neither the Company nor any of its Subsidiaries are parties to or otherwise are bound by any Financial Derivative/Hedging Agreement.

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For purposes of this Section 2.27, "Financial Derivative/Hedging Agreement" includes (a) any transaction (including an agreement with respect thereto) which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) and (b) any combination of these transactions.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer hereby represents and warrants as follows:

Section 3.1 Organization. The Buyer is a limited liability company duly organized and validly existing under the laws of the state of Delaware and has all requisite power and authority to own its properties and assets and to conduct its business as now conducted. The Buyer is duly qualified to do business as a foreign entity in every jurisdiction where the character of the properties owned or leased by the Buyer or the nature of the business conducted by the Buyer makes such qualifications necessary.

Section 3.2 Validity of Agreement. The Buyer has the power to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the performance of the Buyer's obligations hereunder have been duly authorized by the Buyer, and no other proceedings on the part of the Buyer are necessary to authorize such execution, delivery and performance. This Agreement has been duly executed by the Buyer and constitutes the valid and binding obligation of the Buyer enforceable against the Buyer in accordance with its terms (except to the extent that its enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar law affecting the enforcement of creditors' rights generally or by general equitable principles).

Section 3.3 No Conflict or Violation; No Defaults. The execution, delivery and performance by the Buyer of this Agreement does not and will not violate or conflict with any provision of its Organizational Documents and does not and will not violate any applicable provision of law, or any order, judgment or decree of any Governmental Authority, nor violate or result in a breach of or constitute (with due notice or lapse of time or both) a default under any contract, lease, loan agreement, mortgage, security agreement, trust indenture or other agreement or instrument to which the Buyer is a party or by which it is bound or to which any of its properties or assets is subject, nor result in the creation or imposition of any Encumbrance upon any of its properties or assets where such violations, breaches or defaults in the aggregate would have a material adverse effect on the transactions contemplated hereby or on the assets, properties, business, operations or financial condition of the Buyer.

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Section 3.4 Consents and Approvals. Except as set forth on Schedule 3.4, no consent, approval, authorization, license, order or permit, or declaration, filing or registration with, or notification to any Governmental Authority or any other person, is required to be obtained by the Buyer or the Buyer's affiliates in connection with the execution and delivery of this Agreement by the Buyer or the performance of the Buyer's obligations hereunder.

Section 3.5 Brokers. None of the Buyer or any of its affiliates has employed the services of an investment broker, financial advisor, broker or finder in connection with the Agreement or any of the transactions contemplated hereby for which the Seller or any affiliate of the Seller would be responsible for paying any fee, commission or other amount.

Section 3.6 Financial Ability. The Buyer will have sufficient immediately available funds, in cash, at the Closing to pay the Purchase Price, as adjusted.

ARTICLE IV

COVENANTS

Section 4.1 Certain Changes and Conduct of Business.

(a) Except as expressly provided by this Agreement or Schedule 4.1, from and after the date of this Agreement and until the Closing Date, (x) the Company shall, and shall cause each of its Subsidiaries to, conduct and maintain its business solely in the ordinary course consistent with past practices and (y) without the prior written consent of the Buyer (not to be unreasonably withheld or delayed), the Seller will not permit the Company or any of its Subsidiaries to:

(i) make any material change in the conduct of its businesses or operations;

(ii) make any change in its Organizational Documents or issue any additional equity securities or grant any option, warrant or right to acquire any equity securities or issue any security convertible into or exchangeable for its equity securities or alter any term of any of its outstanding securities or make any change in its outstanding equity securities or other ownership interests or in its capitalization, whether by reason of a reclassification, recapitalization, stock split or combination, exchange or readjustment of shares, stock dividend or otherwise;

(iii) incur, assume or guarantee any indebtedness for borrowed money, issue any notes, bonds, debentures or other corporate securities or grant any option, warrant or right to purchase any thereof or issue any securities convertible or exchangeable for debt securities of the Company or any Subsidiary;

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- (iv) make any sale, assignment, transfer, abandonment or other conveyance of any of its assets or any part thereof except for dispositions of inventory or of worn-out or obsolete equipment for fair or reasonable value in the ordinary course of business consistent with past practices;
- (v) subject any of its assets, or any part thereof, to any Encumbrance other than a Permitted Encumbrance, or permit the imposition of any Encumbrance other than a Permitted Encumbrance;
- (vi) redeem, retire, purchase or otherwise acquire, directly or indirectly, any of its equity interests or declare, set aside or pay any dividends or other distribution in respect of such equity interests, other than dividends made by Seminole to the holders of its common stock in the ordinary course of business consistent with past practices, as set forth in the formula set forth in Schedule 4.1;
- (vii) acquire any assets or properties other than in the ordinary course of business consistent with past practices;
- (viii) enter into any new or materially amend any existing employee benefit plan, program or arrangement or any employment, severance or consulting agreement, grant any general increase in the compensation of officers or employees (including any such increase pursuant to any bonus, pension, profit-sharing or other plan or commitment) or grant any increase in the compensation payable or to become payable to any employee, except in accordance with pre-existing contractual provisions;
- (ix) make or commit to make any capital expenditure or to invest, advance, loan, pledge or donate any monies to any clients or other persons or to make any similar commitments with respect to outstanding bids or proposals, except as disclosed on Schedule 4.1;
- (x) pay, except in the ordinary course of business consistent with past practices, loan or advance any amount to, or sell, transfer or lease any properties or assets to, or enter into any agreement or arrangement with, any of its affiliates;
- (xi) intentionally take any other action that would cause any of the representations and warranties made herein not to remain true and correct in all material respects;
- (xii) make any loan, advance or capital contribution to or investment in any person;

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- (xiii) other than routine compliance filings, make any filings or submit any documents or information to FERC without prior consultation with the Buyer;
 - (xiv) enter into any material settlement of any pending or threatened litigation;
 - (xv) consent to the entry of any decree or order by a Governmental Authority or pay any fine or penalty that would have a Material Adverse Effect;
 - (xvi) merge into or with or consolidated with any other corporation or acquired all or substantially all of the business or assets of any corporation, person or entity;
 - (xvii) enter into any agreement or amendment, modification, or termination of any contract, lease, or license to which the Company or any Subsidiary is a party, or by which it or any of its assets or properties are bound, except those agreements, amendments, modifications or terminations effected in the ordinary course of business consistent with past practices;
 - (xviii) enter into any transaction that is reasonably likely to delay materially or to affect materially and adversely the ability of any of the parties hereto to obtain any consent, authorization, order or approval of any governmental commission, board or other regulatory body or the expiration of any applicable waiting period required to consummate the transactions contemplated by this Agreement; or itself to do any of the foregoing.
- (b) From and after the date hereof and until the Closing Date, the Seller shall cause the Company and each Subsidiary to:
- (i) keep its books of account, records and files in the ordinary course and in accordance with existing practices; and
 - (ii) use reasonable efforts to continue to maintain existing business relationships with affiliates, suppliers and customers to the extent that such relationships are, at the same time, reasonably judged by the Seller to be economically beneficial to the Company acting reasonably.

Section 4.2 Access to Properties and Records. Except as may be otherwise provided for in the Transition Services Agreement, the Seller shall afford, and shall cause the Company to afford, to the Buyer and the Buyer's accountants, counsel and

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representatives full reasonable access during normal business hours throughout the period prior to the Closing Date (or the earlier termination of this Agreement pursuant to Article VII hereof) to all the Company's and its Subsidiaries' properties, books, contracts, commitments and records (including, but not limited to, all environmental studies, reports and other environmental records) and, during such period, shall furnish promptly to the Buyer all information concerning the Company's and its Subsidiaries' business, properties, liabilities and personnel as the Buyer may reasonably request, provided that no investigation or receipt of information pursuant to this Section 4.2 shall affect any representation or warranty of the Seller or the conditions to the obligations of the Buyer.

Section 4.3 Reserved.

Section 4.4 Consents and Approvals. The Seller and the Buyer shall each use their commercially reasonable best efforts to obtain, or, in the case of the Seller, cause the Company to obtain, all necessary consents, waivers, authorizations and approvals of all Governmental Authorities, and of all other persons required in connection with the execution, delivery and performance by them of this Agreement.

Section 4.5 Further Assurances. Upon the request of the Buyer at any time after the Closing Date, the Seller will promptly execute and deliver such further instruments of assignment, transfer, conveyance, endorsement, direction or authorization and other documents as the requesting party or parties or its or their counsel may reasonably request in order to perfect title of the Buyer and its successors and assigns to the Subject Membership Interest or otherwise to effectuate the purposes of this Agreement. If it is determined following the Closing that record and/or beneficial title to any of the Assets, are not held by the Company or its Subsidiaries but rather is held by Seller or any of its affiliates, Seller agrees to and to cause its affiliates to execute such documents, agreements and instruments and take such action as may be reasonably required to cause such title to be effectively transferred and conveyed from Seller or its affiliates to the Company or its Subsidiaries free and clear of any Encumbrances.

Section 4.6 Reasonable Best Efforts. Upon the terms and subject to the conditions of this Agreement, each of the parties

hereto will use its commercially reasonable best efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper or advisable, consistent with applicable law to consummate and make effective in the most expeditious manner practicable the transactions contemplated hereby.

Section 4.7 Notice of Breach. Through the Closing Date, each of the parties hereto shall promptly give to the other parties written notice with particularity upon having knowledge of any matter that constitutes a breach of any representation, warranty, agreement or covenant contained in this Agreement.

Section 4.8 Confidential Information. During the period commencing on the date of this Agreement and ending on the second anniversary of the Closing Date hereunder, except as required by law, Governmental Authority or stock exchange rule or under the Seller's and its affiliates' obligations pursuant to any other agreement between the Seller and the Buyer, the Seller and its

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affiliates shall not, directly or indirectly, disclose to any person or entity other than an affiliate or use any information not in the public domain or generally known in the industry, in any form, whether acquired prior to or after the Closing Date, relating to the business and operations of the Company or any of its Subsidiaries, including but not limited to information regarding customers, vendors, suppliers, trade secrets, training programs, manuals or materials, technical information, contracts, systems, procedures, mailing lists, know-how, trade names, improvements, price lists, financial or other data (including the revenues, costs or profits associated with any of the Company's services), business plans, code books, invoices and other financial statements, computer programs, software systems, databases, discs and printouts, plans (business, technical or otherwise), customer and industry lists, correspondence, internal reports, personnel files, sales and advertising material, telephone numbers, names, addresses or any other compilation of information, written or unwritten, which is or was used by the Company or any Subsidiary, regardless of whether such information was or is owned on the date hereof by the Company or any Subsidiary (collectively, "Protected Information"); provided, however, that if any of the Seller or its affiliates are presently in possession of Protected Information that (x) is necessary to use in the ordinary course of business of WMB or any controlled affiliate of WMB other than the Company or any of its Subsidiaries (collectively, "WMB and its Other Subsidiaries") and (y) cannot reasonably be redacted, segregated or otherwise separated from information about or owned by WMB and its Other Subsidiaries which is necessary to use in the ordinary course of business of WMB and its Other Subsidiaries (hereinafter, "Mixed Information"), then the Protected Information which is so imbedded in such Mixed Information may be used by WMB and its Other Subsidiaries in the ordinary course of business; provided, that WMB and its Other Subsidiaries may not use any such Protected Information to compete or seek to compete with the business or operations of the Company or any of its Subsidiaries as existing on the Closing Date. Upon the request of the Company, Seller Parent and its Other Subsidiaries shall reasonably cooperate with the Company in the development of procedures intended to further implement the intent of this Section 4.8.

Section 4.9 Non-Solicitation of Employees. During the period commencing on the date of this Agreement and ending on the second anniversary of the Closing Date hereunder, neither the Seller nor any affiliate thereof shall for themselves or on behalf of or in conjunction with any person, directly or indirectly, solicit, endeavor to entice away from the Buyer or its affiliates (including the Company or its Subsidiaries), or otherwise directly or indirectly interfere with the relationship of the Buyer or its affiliates (including the Company or its Subsidiaries) with any person who, to the knowledge of the Seller, is employed by the Buyer or its affiliates (including the Company or its Subsidiaries) and, directly or indirectly, involved with the business or operations of the Company and its Subsidiaries; provided, however, neither the Seller nor any affiliates thereof shall be precluded from soliciting or hiring any such employee:

(a) who initiates discussions regarding such employment without any direct or indirect solicitation by the Seller or its affiliates;

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(b) whose employment with the Company or its Subsidiaries has been terminated prior to commencement of employment with the Seller or its affiliates; or

(c) who responds to a general solicitation of employment not specifically addressed to such employees.

Notwithstanding the foregoing, the Seller may continue to employ each Business Employee until such time as such Business Employee becomes a Transferred Employee.

Section 4.10 Negotiations. Subject to applicable law, from and after the date hereof, neither the Seller nor the Company, nor their officers, directors, employees, affiliates, stockholders, representatives, agents, nor anyone acting on behalf of them shall, directly or indirectly, encourage, solicit, engage in discussions or negotiations with, or provide any information to, any person, firm, or other entity or group (other than the Buyer or its representatives) concerning any merger, sale of assets, purchase or sale of the Subject Membership Interest or similar transaction involving the Company or any division or Subsidiary thereof unless this Agreement is terminated pursuant to and in accordance with Article VII hereof. The Seller shall promptly communicate to the Buyer any inquiries or communications concerning any such transaction which they may receive or of which they may become aware.

Section 4.11 Tax Covenants.

(a) WMB and Buyer shall make timely, irrevocable and effective elections under Section 338(h)(10) of the Code and any similar elections under any applicable state, local or foreign income tax law (collectively the "Section 338(h)(10) Elections") with respect to Buyer's purchase of the Subject Membership Interest and the deemed purchase(s) for Tax purposes of the stock or interests in Seminole and any other Subsidiary of the Company that is a corporation for United States federal income tax purposes (collectively, the "Qualified Stock Purchases"). To facilitate such elections, within ninety (90) days of the Closing Date, WMB shall deliver to Buyer an Internal Revenue Service Form 8023 and any similar forms under applicable state, local or foreign income tax law (the "Forms") with respect to the Qualified Stock Purchases, which Forms shall have been duly executed by an authorized person for WMB. Buyer and WMB shall, within one hundred and twenty (120) days of the Closing Date, agree to a schedule showing the allocation of the deemed purchase price for Seminole among the assets of Seminole and any relevant Subsidiaries of Seminole, consistent with the principles of Section 338(h)(10) of the Code and the regulations thereunder (the "Allocation"). Buyer shall complete the Forms in a manner consistent with the Allocation, cause the Forms to be duly executed by an authorized person for Buyer, cause the Forms to be timely filed with the appropriate Tax authorities and provide a copy of the executed Forms to WMB. If, after filing such Forms, any changes or supplements are required to such Forms, WMB and Buyer shall promptly endeavor to agree on such changes and, if agreed, properly execute such amended Forms. Buyer shall timely file the Forms and any required supplements thereto that have been agreed to by the

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parties, and shall promptly deliver a copy of such Forms to WMB. WMB and Seller shall provide such information as Buyer shall reasonably request in connection with the preparation of the Forms and any amendments or supplements thereto. Buyer, the Company and its Subsidiaries, Seller, and WMB will file all Tax Returns in a manner consistent with the Allocation.

(b) The Seller shall be liable for, and shall indemnify and hold the Buyer and its affiliates harmless from (i) any Taxes caused by or arising from the sale of the Subject Membership Interest (including, without limitation, all Taxes caused by or resulting from the Section 338(h)(10) Elections), (ii) all liability for Taxes of the Company and each of its Subsidiaries for all taxable periods ending on or before the Closing Date; (iii) the portion, determined as described below, of any Taxes which are incurred by the Company or any of its Subsidiaries for any taxable period which begins before and ends after the Closing Date (a "Straddle Period") which is allocable to the portion of the Straddle Period ending on the Closing Date (the "Pre-Closing Period") and (iv) all liability imposed upon the Company or any of its Subsidiaries on account of the inclusion of the Company or any of its Subsidiaries in a consolidated, combined, unitary or similar group, for any period or portion of a period prior to Closing. The portion of the Taxes for a Straddle Period which are allocable to a Pre-Closing Period shall be determined, in the case of property, ad valorem or franchise Taxes (which are not measured by, or based upon, net income), on a per diem basis and excluding the consequences of the Section 338(h)(10) Elections and, in the case of other Taxes, by assuming that the Pre-Closing Period is a separate taxable period and by taking into account the taxable events during such period.

- (c) The Seller shall prepare and timely file (or cause to be prepared and timely filed), on a basis consistent with prior Tax Returns, all Tax Returns with the appropriate Federal, state, local and foreign governmental agencies relating to the Company and its Subsidiaries for taxable periods ending on or prior to the Closing Date and shall timely pay all Taxes required to be paid with respect to such Tax Returns. The Buyer shall prepare and file (or cause to be prepared and timely filed), on a basis consistent with prior Tax Returns, all Tax Returns for Straddle Periods required to be filed by the Company or any of its Subsidiaries and shall timely pay all Taxes required to be paid with respect to such Straddle Tax Return, provided, however, that the Seller shall promptly reimburse the Buyer for the portion of such Tax that relates to the Pre-Closing Period. The Seller shall furnish to the Buyer all information and records reasonably requested by the Buyer for use in preparation of any Tax Returns. The Buyer and the Seller agree to cause the Company and each of its Subsidiaries after the Closing Date to file all Tax Returns for any Straddle Period on the basis that the relevant taxable period ended as of the close of business on the Closing Date, to the extent permitted by applicable law.
- (d) The Seller shall cause any tax sharing agreement or similar arrangement with respect to Taxes involving the Company or any

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Subsidiary to be terminated effective as of the Closing Date, to the extent any such agreement or arrangement relates to the Company or any Subsidiary, and after the Closing Date neither the Company nor any of its Subsidiaries shall have any obligation to make any payment under any such agreement or arrangement.

- (e) All excise, sales, use, transfer (including real property transfer or gains), stamp, documentary, filing, recordation and other similar taxes, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties, resulting directly from the transactions contemplated by this Agreement (the "Transfer Taxes"), shall be borne by the party on which such Transfer Taxes are imposed by applicable law. Notwithstanding anything to the contrary in this Section 4.11, any Tax Returns that must be filed in connection with Transfer Taxes shall be prepared and filed when due by the party primarily or customarily responsible under the applicable local law for filing such Tax Returns, and such party shall use reasonable commercial efforts to provide such Tax Returns to the other party at least 10 days prior to the due date for such Tax Returns.

Section 4.12 Reserved.

Section 4.13 Reserved.

Section 4.14 Bonds. The Seller shall use its reasonable best efforts to maintain the Bonds until they are released and replaced by the Buyer. "Bonds" shall mean all surety bonds, letters of credit, guarantees, cash collateral, performance bonds and bid bonds issued by the Seller and its affiliates (other than the Company and its Subsidiaries) on behalf of the Company or any of its Subsidiaries. The Buyer shall use its reasonable best efforts to replace and release the Bonds as promptly as reasonably practicable after the Closing Date but in no event later than 90 days from the Closing Date. The Buyer shall indemnify, defend and hold harmless the Seller and its affiliates for any and all liability, loss, damage, cost and expense incurred under such Bonds in connection with activities performed after the Closing.

Section 4.15 Transitional Trademark License. Effective upon the Closing Date, the Seller and the Seller's affiliates hereby grant to the Company, the Subsidiaries of the Company and the Buyer a nonexclusive, nontransferable, royalty-free license, without right to sublicense, to use, solely in the Company's and its Subsidiaries' businesses as they are presently conducted, any and all trademarks, service marks, and trade names owned by the Seller and the Seller's affiliates solely to the extent appearing on existing inventory, advertising materials and property of the Company or its Subsidiaries (such as signage, vehicles, and equipment) (collectively "Seller's Marks") for a period of six (6) months from the Closing Date ("License Period"). The Buyer, the Company and its Subsidiaries may use such existing inventory, advertising materials and property during the License Period, but shall not create new inventory, advertising materials or property using Seller's Marks. The Buyer, the Company and its Subsidiaries shall promptly

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replace or remove Seller's Marks on inventory, advertising materials and Property, provided that all such use shall cease no later than the end of the License Period. The nature and quality of all uses of the Seller's Marks by the Buyer, the Company and its Subsidiaries shall conform to the Seller's existing quality standards. Immediately upon expiration of the License Period, the Buyer, the Company and its Subsidiaries shall cease all further use of Seller's Marks and shall adopt new trademarks, service marks, and trade names which are not confusingly similar to Seller's Marks. All rights not expressly granted in this section with respect to Seller's Marks are hereby reserved. In the event Buyer, the Company or its Subsidiaries materially breach the provisions of this section, the Seller may immediately terminate the License Period upon twenty (20) days written notice.

Section 4.16 Non-Software Copyright License. Effective upon the Closing Date, the Seller, for themselves and on behalf of their affiliates, hereby grant to the Company, the Subsidiaries of the Company and the Buyer a nonexclusive royalty-free, perpetual license, without right to sublicense, to use, copy, modify, enhance, and to upgrade, solely for their internal business purposes and not as a service bureau, all proprietary manuals, user guides, standards and operation procedures and similar documents owned by Seller and/or its Affiliates and used by Company or its Subsidiaries. All copies of the foregoing must reproduce and include all copyright and other intellectual property rights notices provided by the Seller.

Section 4.17 Intercompany Indebtedness. Immediately prior to the Closing, the Seller shall (a) pay or cause its affiliates to pay to the Company and its Subsidiaries all indebtedness for borrowed money owed by the Seller or any of its affiliates (other than the Company or its Subsidiaries) as of such time and (b) pay to the Company a capital contribution and cause such capital contribution to be applied to pay or satisfy all indebtedness for borrowed money owed by the Company and its Subsidiaries to the Seller or its affiliates (other than the Company and its Subsidiaries) as of such time.

Section 4.18 SEC Required Financial Statements. The Seller, at its sole cost and expense, shall prepare and cause to be delivered to the Buyer prior to September 15, 2002, audited and unaudited financial statements of the Company and its Subsidiaries and their respective operations, in such form and covering such periods as may be required by applicable securities laws to be filed with the Securities and Exchange Commission by the Buyer or its affiliates as a result of or in connection with the transactions contemplated by this Agreement. Seller shall further provide and cause its affiliates to provide access to their personnel and books and records to the extent necessary for the Buyer and its representatives to confirm and verify the accuracy of such financial statements.

Section 4.19 Release of Certain Obligations. The Seller, for itself and its affiliates, hereby agrees, from and after the Closing, not to make or allow its affiliates to make any claims against and hereby releases, acquits and discharges the Company and its Subsidiaries and the Buyer from any and all claims, demands, obligations or causes of action which the Seller or its affiliates

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may have against the Companies or its Subsidiaries or the Buyer out of the activities of the Company and its Subsidiaries prior to the Closing Date, including any claims, demands, obligations or causes of action which have arisen or may arise under any agreements between the Seller or an affiliate of the Seller (other than the Company or its Subsidiaries), on the one hand, and one or more of the Company or its Subsidiaries, on the other hand, to the extent that such agreements have been terminated or have expired in accordance with their terms on or prior to the Closing or are otherwise required to be terminated by the provisions of this Agreement. Nothing in this Section 4.19 shall be interpreted or construed as a release of any claims, demands, obligations or causes of action pursuant to this Agreement or pursuant to agreements which continue beyond the Closing or are entered into following the Closing Date.

Section 4.20 Delivery of Records. The Seller shall as soon as possible following the Closing and in any event no later than 30 days following the Closing, deliver to the Buyer all Records (as hereinafter defined) pertaining to the Company, the Company's Subsidiaries and their businesses. The term "Records" shall mean all existing land, title, engineering, environmental,

operating, FERC, Department of Transportation and other data (whether electronic or hard copy), files, documents (including design documents), instruments, notes, papers, ledgers, journals, reports, abstracts, surveys, maps, books, records and studies arising out of or relating to the Assets (including the Real Property) or such businesses and which are held by the Seller or its affiliates for use in connection with, the ownership, use, operation or maintenance of the Assets (including the Real Property) or such businesses.

ARTICLE V

CONDITIONS TO OBLIGATIONS OF THE BUYER

The obligations of the Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment, at or before the Closing Date, of the following conditions, any one or more of which may be waived by the Buyer in its sole discretion:

Section 5.1 Reserved.

Section 5.2 No Violation of Orders. No preliminary or permanent injunction or other order issued by any Governmental Authority, nor any statute, rule, regulation, decree or executive order promulgated or enacted by any Governmental Authority, which declares this Agreement invalid or unenforceable in any respect or prevents the consummation of the transactions contemplated hereby, shall be in effect which permanently restrains, enjoins or otherwise prohibits the transactions contemplated by this Agreement and which order, decree, ruling or other action is not subject to appeal; provided, however, that prior to invoking this condition with regard to any injunction or other order issued by any Governmental Authority, the Buyer shall have used its reasonable best efforts to have such injunction or other order lifted or vacated.

Section 5.3 Compliance.

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- (a) The Seller shall have performed and complied in all material respects with each of the covenants and agreements it is required under this Agreement to have performed or complied with prior to Closing; and
- (b) Each of the Seller's representations and warranties made in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, on and as of the time of the Closing as though made as of such time, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, on and as of such earlier time.

ARTICLE VI

CONDITIONS TO OBLIGATIONS OF THE SELLER

The obligations of the Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, at or before the Closing Date, of the following conditions, any one or more of which may be waived by the Seller in its sole discretion:

Section 6.1 Reserved.

Section 6.2 No Violation of Orders. No preliminary or permanent injunction or other order issued by any Governmental Authority, nor any statute, rule, regulation, decree or executive order promulgated or enacted by any Governmental Authority, that declares this Agreement invalid or unenforceable in any respect or prevents the consummation of the transactions contemplated hereby shall be in effect which permanently restrains, enjoins or otherwise prohibits the transactions contemplated by this Agreement and which order, decree, ruling or other action is not subject to appeal; provided, however, that prior to invoking this condition with regard to any injunction or other order issued by any Governmental Authority, the Seller shall have used its reasonable best efforts to have such injunction or other order lifted or vacated.

Section 6.3 Compliance.

- (a) The Buyer shall have performed and complied in all material respects with each of the covenants and agreements it is required under this Agreement to have performed or complied with prior to Closing; and
- (b) Each of the Buyer's representations and warranties made in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, on and as of the time of the Closing as though made as of such time, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, on and as of such earlier time.

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ARTICLE VII

TERMINATION AND ABANDONMENT

Section 7.1 Methods of Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time before the Closing:

- (a) by the mutual written consent of the Seller and the Buyer;
- (b) by the Seller, in the event that any of the conditions set forth in Section 6.1 or 6.2 cannot be satisfied;
- (c) by the Buyer, in the event that any of the conditions set forth in Sections 5.1 or 5.2 cannot be satisfied;
- (d) by the Buyer, in the event that Seller breaches or fails to perform any of its representations, warranties, covenants or agreements contained herein, which breach or failure to perform would give rise to the failure of the conditions set forth in Section 5.3 and shall not have been cured within 10 business days after receipt of written notice thereof by Buyer;
- (e) by the Seller, in the event that Buyer breaches or fails to perform any of its representations, warranties, covenants or agreements contained herein, which breach or failure to perform would give rise to the failure of the conditions set forth in Section 6.3 and shall not have been cured within 10 business days after receipt of written notice thereof by Seller; and
- (f) by the Buyer or the Seller at any time after December 31, 2002; provided, however, that the right to terminate this Agreement pursuant to this Section 7.1(d) shall not be available if the party seeking to terminate under this provision shall have failed to perform or observe in any material respect any of its obligations under this Agreement and such failure shall have been the cause of, or resulted in, the failure of the Closing to occur on or before such date.

Section 7.2 Procedure Upon Termination. In the event of termination and abandonment of this Agreement pursuant to Section 7.1, written notice thereof shall forthwith be given to the other party hereto and this Agreement shall terminate and the transactions contemplated hereby shall be abandoned, without further action by the Seller or the Buyer. If this Agreement is terminated as provided herein, no party to this Agreement shall have any liability or further obligation to any other party to this Agreement except as provided in Sections 9.3 and 9.4 hereof; provided, however, that no termination of this Agreement pursuant to this Article VII shall relieve any party of liability for a willful and material breach of any provision of this Agreement occurring before such termination.

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ARTICLE VIII
INDEMNIFICATION

Section 8.1 Survival. The respective representations and warranties of the parties hereto contained herein or in any certificates or other documents delivered pursuant to this Agreement on the Closing shall survive the Closing for a period of 18 months following the Closing Date; provided however, that the representations and warranties set forth in Section 2.2 (Capitalization; Title) shall survive indefinitely, the representations and warranties set forth in Section 2.21 (Environmental; Health and Safety Matters) shall survive until the fifth anniversary of the Closing Date and the representations and warranties in Section 2.9 (Taxes) shall survive for a period equal to the applicable statute of limitations (including any extensions thereof). The respective covenants and agreements of the parties hereto contained herein or in any certificates or other documents delivered pursuant to this Agreement on the Closing shall survive the Closing for indefinitely.

Section 8.2 Indemnification Coverage.

- (a) Notwithstanding the Closing or the delivery of the Subject Membership Interest, and regardless of any investigation at any time made by or on behalf of the Buyer or of any knowledge or information that the Buyer may have the Seller hereby indemnifies and agrees to defend, save and hold the Buyer, the Company, the Subsidiaries of the Company and each of their officers, directors, employees, agents and affiliates (other than the Seller) (collectively, the "Buyer Indemnified Parties") harmless for any damage, judgment, fine, penalty, demand, settlement, liability, loss, cost, Tax, expense (including reasonable attorneys', consultants' and experts' fees), claim or cause of action (each, a "Loss") suffered by any such Buyer Indemnified Party at any time or from time to time arising out of, relating to or resulting from any of the following:
- (i) any breach or inaccuracy in any representation by the Seller or the breach of any warranty by the Seller contained in this Agreement or any certificates or other documents delivered pursuant to this Agreement on Closing;
- (ii) any failure by the Seller to perform or observe any term, provision, covenant, or agreement on the part of the Seller to be performed or observed under this Agreement; or
- (iii) the Reorganization Transactions.
- (b) Notwithstanding the Closing or the delivery of the Subject Membership Interest and regardless of any investigation at any time made by or on behalf of the Seller or of any knowledge or information that the Seller may have, the Buyer hereby indemnifies and agrees to defend, save and hold the Seller and their officers, directors, employees, agents and affiliates

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(collectively, the "Seller Indemnified Parties") harmless for any Loss suffered by any such Seller Indemnified Party at any time or from time to time arising out of, relating to or resulting from any of the following:

- (i) any breach or inaccuracy in any representation by the Buyer or the breach of any warranty by the Buyer contained in this Agreement or any certificates or other documents delivered pursuant to this Agreement on Closing; or
- (ii) any failure by the Buyer to perform or observe any term, provision, covenant, or agreement on the part of the Buyer to be performed or observed under this Agreement.
- (c) The foregoing indemnification obligations shall be subject to the following limitations:
- (i) the Seller's aggregate liability under Section 8.2(a)(i) and 8.2(a)(iii) and the Buyer's aggregate liability under Section 8.2(b)(i), shall not, in either case, exceed 30% of the Purchase Price (the "Cap"); provided, however, that the Cap shall not be applicable to breaches by Seller under Section 2.2 and 2.9;
- (ii) no indemnification for any Losses asserted against the Buyer or the Seller, as the case may be, under Section 8.2(a)(i) or Section 8.2(b)(i) shall be required unless and until the cumulative aggregate amount of such Losses exceeds \$2,000,000 (the "Threshold"), at which point the Seller or the Buyer, as the case may be, shall be obligated to indemnify the Indemnified Party (as hereinafter defined) only as to the amount of such Losses in excess of \$250,000 (the "Deductible"), subject to the limitation in Section 8.2(c)(i); provided, however, that the Threshold and the Deductible shall not be applicable to breaches under Sections 2.2 and 2.9;
- (iii) the amount of any Losses suffered by a Seller Indemnified Party or a Buyer Indemnified Party, as the case may be, shall be reduced by any third-party insurance which such party actually receives in respect of or as a result of such Losses. If any Losses for which indemnification was provided hereunder is subsequently reduced by any third-party insurance or other indemnification benefit or recovery actually received by the party for which indemnification was provided, the amount of the reduction shall be remitted to the Indemnifying Party (as hereinafter defined);
- (iv) no claim may be asserted nor may any action be commenced (A) against the Seller for breach or inaccuracy of any representation or breach of a warranty, unless written notice of such claim or action is received by the Seller

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describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or action on or prior to the date on which the representation or warranty on which such claim or action is based ceases to survive as set forth in Section 8.1 (it being agreed and understood that if a claim for a breach of a representation or warranty is timely made, the representation or warranty shall survive until the date on which such claim is finally liquidated or otherwise resolved), or (B) against the Buyer for breach or inaccuracy of any representation or breach of a warranty, unless written notice of such claim or action is received by the Buyer describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or action on or prior to the date on which the representation or warranty on which such claim or action is based ceases to survive as set forth in Section 8.1 (it being agreed and understood that if a claim for a breach of a representation or warranty is timely made, the representation or warranty shall survive until the date on which such claim is finally liquidated or otherwise resolved); and

- (v) an Indemnified Party shall not be entitled under this Agreement to multiple recovery for the same Losses.
- (d) Notwithstanding anything in this Agreement to the contrary (including, without limitation, the provisions of Section 8.2(c)(i) and (ii)), Seller hereby indemnifies and agrees to defend, save and hold the Buyer harmless from all Losses suffered by the Buyer resulting from any judgment or order by a Governmental Authority to return or reassign the Subject Membership Interest or the underlying assets of the Company and its Subsidiaries to the Seller or any affiliate of the Seller.

Section 8.3 Procedures. Any Indemnified Party shall notify the Indemnifying Party (with reasonable specificity) promptly after it becomes aware of facts supporting a claim or action for indemnification under this Article VIII, and shall provide to the Indemnifying Party as soon as practicable thereafter all information and documentation in its possession reasonably necessary to support and verify any Losses associated with such claim or action. Subject to Section 8.2(v), the failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that it may have to any Indemnified Party, except to the extent that the Indemnifying Party demonstrates that it has been materially prejudiced by the Indemnified Party's failure to give such notice, in which case the Indemnifying Party shall be relieved from its obligations hereunder to the extent and only to the extent of such material prejudice. The Indemnifying Party shall defend, contest or otherwise protect the Indemnified Party against any such claim or action by counsel of the Indemnifying Party's choice at its sole cost and expense; provided, however, that the Indemnifying Party shall not make any settlement or compromise without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed) unless the sole relief provided is monetary damages that are paid in full by the Indemnifying Party. The Indemnified Party shall have the right, but not the obligation, to participate at its own expense in the

defense thereof by counsel of the Indemnified Party's choice and shall in any event use its reasonable best efforts to cooperate with and assist the Indemnifying Party. If the Indemnifying Party fails timely to defend, contest or otherwise protect against such suit, action, investigation, claim or proceeding, the Indemnified Party shall have the right to do so, including, without limitation, the right to make any compromise or settlement thereof, and the Indemnified Party shall be entitled to recover the entire cost thereof from the Indemnifying Party, including, without limitation, reasonable attorneys' fees, disbursements and amounts paid as the result of such suit, action, investigation, claim or proceeding.

Section 8.4 Remedy. Absent fraud, and except for seeking equitable relief, from and after the Closing the sole remedy of a party in connection with (i) a breach or inaccuracy of the representations, or breach of warranties, in this Agreement or any certificates or other documents delivered pursuant to this Agreement on Closing, or (ii) any failure by a party to perform or observe any term, provision, covenant, or agreement on the part of such party to be performed or observed under this Agreement, shall, in each case, be as set forth in this Article VIII.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 9.1 Publicity. On or prior to the Closing Date, neither party shall, nor shall it permit its affiliates to, issue or cause the publication of any press release or other announcement with respect to this Agreement or the transactions contemplated hereby without the consent of the other party hereto. Notwithstanding the foregoing, in the event any such press release or announcement is required by law or stock exchange rule to be made by the party proposing to issue the same, such party shall use its reasonable best efforts to consult in good faith with the other party prior to the issuance of any such press release or announcement.

Section 9.2 Successors and Assigns; No Third-Party Beneficiaries. This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns; provided, however, that neither party shall assign or delegate any of the obligations created under this Agreement without the prior written consent of the other party. Except as contemplated by Article VIII, nothing in this Agreement shall confer upon any person or entity not a party to this Agreement, or the legal representatives of such person or entity, any rights or remedies of any nature or kind whatsoever under or by reason of this Agreement.

Section 9.3 Investment Bankers, Financial Advisors, Brokers and Finders.

(a) The Seller shall indemnify and agree to defend and hold the Buyer Indemnified Parties harmless against and in respect of all claims, losses, liabilities and expenses which may be asserted against any Buyer Indemnified Parties by any broker or other

person who claims to be entitled to an investment banker's, financial advisor's, broker's, finder's or similar fee or commission in respect of the execution of this Agreement or the consummation of the transactions contemplated hereby, by reason of his acting at the request of the Seller, the Company or any of their Affiliates.

(b) The Buyer shall indemnify and agree to save and hold the Seller Indemnified Parties harmless against and in respect of all claims, losses, liabilities, fees, costs and expenses which may be asserted against them by any broker or other person who claims to be entitled to an investment banker's, financial advisor's, broker's, finder's or similar fee or commission in respect of the execution of this Agreement or the consummation of the transactions contemplated hereby, by reason of his acting at the request of the Buyer or any of its affiliates (other than the Company or any Subsidiary of the Company).

Section 9.4 Fees and Expenses. Except as otherwise expressly provided in this Agreement, all legal, accounting and other fees, costs and expenses of a party hereto incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such fees, costs or expenses; provided, however, that the Seller shall be solely responsible for all legal, accounting and other fees, costs and expenses incurred by the Seller and the Company and the Subsidiaries of the Company.

Section 9.5 Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made if delivered personally or sent by overnight courier or sent by facsimile (with evidence of confirmation of receipt) to the parties at the following addresses:

(a) If to the Buyer, to:

E-Cypress, LLC
c/o Enterprise Products GP, LLC
2727 N. Loop West, Suite 700
Houston, Texas 77008
Facsimile: (713) 880-6960
Attention: President

Enterprise Products GP, LLC
2727 N. Loop West, Suite 700
Houston, Texas 77008
Facsimile: (713) 880-6960
Attention: Chief Legal Officer

(b) If to the Seller, to:

The Williams Companies, Inc.,
Williams Natural Gas Liquids, Inc.
One Williams Center
Tulsa, Oklahoma 74172
Facsimile: (918) 573-5942
Attention: William von Glahn, Esq.

Skadden, Arps, Slate, Meagher and Flom LLP
Four Times Square
New York, NY 10036
Facsimile: (212) 735-2000
Attention: Nancy A. Lieberman, Esq.

or to such other persons or at such other addresses as shall be furnished by either party by like notice to the other, and such notice or communication shall be deemed to have been given or made as of the date so delivered or mailed. No change in any of such addresses shall be effective insofar as notices under this Section 9.5 are concerned unless such changed address is located in the United States of America and notice of such change shall have been given to such other party hereto as provided in this Section 9.5.

Section 9.6 Entire Agreement. This Agreement, together with the Disclosure Schedules and the exhibits hereto, represent the entire agreement and understanding of the parties in connection with the purchase and sale of the Subject Membership Interest and no representations or warranties have been made in connection with this Agreement other than those expressly set forth herein or in the Disclosure Schedules, exhibits, certificates and other documents delivered in accordance herewith. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings and agreements between the parties relating to the subject matter of this Agreement and all prior drafts of this Agreement, all of which are merged into this Agreement. No prior drafts of this Agreement and no words or phrases from any such prior drafts shall be admissible into evidence in any action or suit

involving this Agreement.

Section 9.7 Waivers and Amendments. The Seller, as a group, or the Buyer, may by written notice to the other:

- (a) extend the time for the performance of any of the obligations or other actions of the other;
- (b) waive any inaccuracies in the representations or warranties of the other contained in this Agreement or in any document delivered pursuant to this Agreement by the other party;
- (c) waive compliance with any of the covenants of the other contained in this Agreement;
- (d) waive performance of any of the obligations of the other created under this Agreement; or

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- (e) waive fulfillment of any of the conditions to its own obligations under this Agreement or in any documents delivered pursuant to this Agreement by the other party. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach, whether or not similar, unless such waiver specifically states that it is to be construed as a continuing waiver. This Agreement may be amended, modified or supplemented only by a written instrument executed by the parties hereto.

Section 9.8 Severability. This Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.

Section 9.9 Titles and Headings. The Article and Section headings and any table of contents contained in this Agreement are solely for convenience of reference and shall not affect the meaning or interpretation of this Agreement or of any term or provision hereof.

Section 9.10 Signatures and Counterparts. Facsimile transmission of any signed original document and/or retransmission of any signed facsimile transmission shall be the same as delivery of an original. At the request of the Buyer or the Seller, the parties will confirm facsimile transmission by signing a duplicate original document. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

Section 9.11 Enforcement of the Agreement. The parties hereto agree that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereto, this being in addition to any other remedy to which they are entitled at law or in equity. In no event shall any party hereto be entitled to any punitive, incidental, indirect, special or consequential damages resulting from or arising out of this Agreement or the transactions contemplated hereby.

Section 9.12 Governing Law. This Agreement shall be governed by and construed in accordance with the internal and substantive laws of Delaware and without regard to any conflicts of laws concepts which would apply the substantive law of some other jurisdiction.

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Section 9.13 Certain Definitions. For purposes of this Agreement, the term:

- (a) "affiliate" of a person means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first mentioned person: the Company and its Subsidiaries shall be deemed to be affiliates (i) of the Seller prior to the Closing and (ii) of the Buyer from and after the Closing.
- (b) "Assets" means all of the assets (including Real Property, and tangible and intangible assets) used or necessary for the conduct of the Company's and its Subsidiaries' businesses as they are presently conducted and as conducted immediately prior to the Contributions, excluding the Omnibus Excluded Assets.
- (c) "Material Adverse Effect" means a material adverse effect on the assets, properties, business, operations, net income or financial condition of the Company and its Subsidiaries taken as a whole, it being understood that none of the following shall be deemed to constitute a Material Adverse Effect: (i) any effect resulting from entering into this Agreement or the announcement of the transactions contemplated by this Agreement; and (ii) any effect resulting from changes in the United States or global economy as a whole, except for such effects which disproportionately impact the Company and its Subsidiaries.
- (d) "Omnibus Excluded Assets" means (i) the Intellectual Property which is being addressed through the IT Migration Plan and Transition Services Agreement (as such terms are defined in the Mapletree Purchase Agreement), (ii) any assets that are designated under this Agreement or the Transition Services Agreement as excluded assets or shared assets to be retained by Seller or its affiliates and (iii) assets that are used primarily in the conducts of the business and operation of the assets owned by the Seller or any of its Affiliates (other than Company or its Subsidiaries) immediately following the Closing, and (iv) any assets used by MAPL and not owned by Seminole to provide operating services to Seminole.
- (e) "person" means an individual, corporation, association, trust, limited liability company, limited partnership, limited liability partnership, partnership, incorporated organization, other entity or group (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934).
- (f) "Pipeline Systems" means the natural gas liquids and other pipelines, lateral lines, pumps, pump stations and other related machinery and equipment that are located on or under the Real Property and that are used or necessary for the conduct of the Company's and its Subsidiaries' businesses as they are presently conducted and as conducted immediately prior to the Contributions.

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Section 9.14 Reserved.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

E-BIRCHTREE, LLC

By: /s/Alan Armstrong
Name: Alan Armstrong
Title: Vice President

E-CYPRESS, LLC

By: /s/Michael A. Creel
Name: Michael A. Creel
Title: Vice President

THIRD AMENDMENT AND SUPPLEMENT
TO CREDIT AGREEMENT
(Multi-Year Revolving Credit Facility)

THIS THIRD AMENDMENT AND SUPPLEMENT TO CREDIT AGREEMENT (this "Third Amendment") is made and entered into effective as of the 31st day of July, 2002 (the "Third Amendment Effective Date"), among ENTERPRISE PRODUCTS OPERATING L.P., a Delaware limited partnership ("Borrower"); WACHOVIA BANK, NATIONAL ASSOCIATION (formerly known as First Union National Bank), as administrative agent (in such capacity, the "Administrative Agent") for each of the lenders (the "Lenders") that is a signatory or which becomes a signatory to the hereinafter defined Credit Agreement; and the Lenders party hereto.

R E C I I A L S:

A. On November 17, 2000, the Borrower, the Lenders and the Administrative Agent entered into a certain Credit Agreement (as amended by First Amendment to Credit Agreement dated April 19, 2001, and as further amended and supplemented by Second Amendment and Supplement to Credit Agreement dated as of April 24, 2002, the "Credit Agreement") whereby, upon the terms and conditions therein stated, the Lenders agreed to make certain Loans (as defined in the Credit Agreement) and extend certain credit to the Borrower.

B. The parties hereto mutually desire to further amend the Credit Agreement as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Borrower, the Lenders party hereto and the Administrative Agent hereby agree as follows:

1. Certain Definitions.

1.1 Terms Defined Above. As used in this Third Amendment, the terms "Administrative Agent", "Borrower", "Credit Agreement", "Third Amendment" and "Third Amendment Effective Date", shall have the meanings indicated above.

1.2 Terms Defined in Agreement. Unless otherwise defined herein, all terms beginning with a capital letter which are defined in the Credit Agreement shall have the same meanings herein as therein unless the context hereof otherwise requires.

2. Amendments to Credit Agreement.

2.1 Defined Terms. The term "Agreement," as defined in Section 1.02 of the Credit Agreement, is hereby amended to mean the Credit Agreement, as amended and supplemented by this Third Amendment and as the same may from time to time be further amended or supplemented.

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2.2 Additional Defined Term. Section 1.02 of the Credit Agreement is hereby further amended and supplemented by adding the following new definition, which reads in its entirety as follows:

"Third Amendment" means that certain Third Amendment and Supplement to Credit Agreement dated effective as of July 31st, 2002, among the Borrower, the Lenders party thereto and the Administrative Agent."

2.3 Indebtedness. Clause (a) of Section 6.01 of the Credit Agreement is hereby supplemented to add the following proviso at the end thereof:

"; further provided, however, Indebtedness assumed in connection with the acquisition of equity interests in Seminole Pipeline Company shall be included as Indebtedness assumed pursuant to this Section 6.01(a);"

2.4 Ratio of Consolidated Indebtedness to Consolidated EBITDA. Section 6.07(b) of the Credit Agreement is hereby amended in its entirety to read as follows:

"(b) Ratio of Consolidated Indebtedness to Consolidated EBITDA. The Borrower shall not permit its ratio of Consolidated Indebtedness to Consolidated EBITDA in each case for each four full fiscal quarter period ending on the date set forth below to be greater than the correlative ratio indicated:

<u>Four Fiscal Quarter Period Ending</u>	<u>Ratio</u>
September 30, 2002	6.00 to 1.00
December 31, 2002	5.25 to 1.00
March 31, 2003	5.25 to 1.00
June 30, 2003	4.50 to 1.00
September 30, 2003 and for each four full fiscal quarter period ending thereafter	4.00 to 1.00

For purposes of calculating such ratio the Project Finance Subsidiaries shall be disregarded. For purposes of this Section 6.07(b), if during any period of four fiscal quarters the Borrower or any Subsidiary acquires any Person (or any interest in any Person) or all or substantially all of the assets of any Person, the EBITDA attributable to such assets or an amount equal to the percentage of ownership of the Borrower or a Subsidiary, as the case may be, in such Person times the EBITDA of such Person, for such period determined on a pro forma basis (which determination, in each case, shall be subject to approval of the Administrative Agent, not to be unreasonably withheld) may be included as Consolidated EBITDA for such period

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as if such acquisition occurred on the first day of such four fiscal quarter period; provided that during the portion of such period that follows such acquisition, the computation in respect of the EBITDA of such Person or such assets, as the case may be, shall be made on the basis of actual (rather than pro forma) results."

3. Conditions Precedent. In addition to all other applicable conditions precedent contained in the Credit Agreement, the obligation of the Lenders party hereto and the Administrative Agent to enter into this Third Amendment shall be conditioned upon the following conditions precedent:

(a) The Administrative Agent shall have received a copy of this Third Amendment, duly completed and executed by the Borrower and the Required Lenders; and acknowledged and ratified by the Limited Partner;

(b) The Borrower or one of its Subsidiaries shall have acquired at least a 95% membership interest in the limited liability company that owns 100% of Mid-America Pipeline Company LLC (formerly known as Mid-America Pipeline Company); and

(c) The Administrative Agent shall have received such other information, documents or instruments as it or its counsel may reasonably request.

4. Representations and Warranties. The Borrower represents and warrants that:

(a) there exists no Default or Event of Default, or any condition or act which constitutes, or with notice or lapse of time or both would constitute, an Event of Default under the Credit Agreement, as hereby amended and supplemented;

(b) the Borrower has performed and complied with all covenants, agreements and conditions contained in the Credit Agreement, as hereby amended and supplemented, required to be performed or complied with by it; and

(c) the representations and warranties of the Borrower contained in the Credit Agreement, as hereby amended and supplemented, were true and correct when made, and are true and correct in all material respects at and as of the time of delivery of this Third Amendment, except to the extent such representations and warranties relate to an earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date.

5. Extent of Amendments. Except as expressly herein set forth, all of the terms, conditions, defined terms, covenants, representations, warranties and all other provisions of the Credit Agreement are herein ratified and confirmed and shall remain in full force and effect.

6. Counterparts. This Third Amendment may be executed in two or more counterparts, and it shall not be necessary that the signatures of all parties hereto be contained on any one counterpart hereof; each counterpart shall be deemed an original, but all of which together shall constitute one and same instrument.

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7. References. On and after the Third Amendment Effective Date, the terms "Agreement", "hereof", "herein", "hereunder", and terms of like import when used in the Credit Agreement shall, except where the context otherwise requires, refer to the Credit Agreement, as amended and supplemented by this Third Amendment.

THIS THIRD AMENDMENT, THE CREDIT AGREEMENT, AS AMENDED HEREBY, THE NOTES AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

This Third Amendment shall benefit and bind the parties hereto, as well as their respective assigns, successors, heirs and legal representatives.

[Signatures Begin on Next Page]

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[Multi-Year Third Amendment Signature Page 4]
EXECUTED as of the Third Amendment Effective Date.

BORROWER:

ENTERPRISE PRODUCTS OPERATING L.P.

By: Enterprise Products GP, LLC , General Partner

By: /s/ Michael A. Cree
Name: Michael A. Creel
Title: Executive Vice President

LENDERS AND AGENTS:

WACHOVIA BANK, NATIONAL ASSOCIATION (formerly known as First Union National Bank), Individually and as Administrative Agent

By: /s/ Russell Clingman
Name: Russell Clingman
Title: Director

BANK ONE, NA (Main Office - Chicago),
Individually and as Documentation Agent

By: /s/ Dianne L. Russell
Name: Dianne L. Russell
Title: Director

THE BANK OF NOVA SCOTIA

By: /s/ M.D. Smith
Name: M.D. Smith
Title: Agent

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BAYERISCHE HYPO-UND VEREINSBANK AG, NEW YORK BRANCH

By: /s/Steven Atwell /s/ Shannon Batchman

Name: Steven Atwell Shannon Batchman
Title: Director Director

MIZUHO CORPORATE BANK, Ltd., Individually and as Managing Agent

By: /s/ Toru Maeda
Name: Toru Maeda
Title: General Manager

NATIONAL AUSTRALIA BANK LIMITED, A.C.N. 004044937,
Individually and as Managing Agent

By: _____
Name: _____
Title: _____

FLEET NATIONAL BANK, Individually and as Managing Agent

By: /s/ Christopher C. Holmgren
Name: Christopher C. Holmgren
Title: Managing Director

WESTDEUTSCHE LANDESBANK
GIRONZENTRALE, NEW YORK BRANCH, Individually and as Co-Agent

By: /s/ Duncan M. Robertson /s/ Jeffrey S. Davidson
Name: Duncan M. Robertson Jeffrey S. Davidson
Title: Director Director

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TORONTO DOMINION (TEXAS), INC., Individually and As Managing Agent

By: /s/ Jean K. Pettit
Name: Jean K. Pettit
Title: Vice President

GUARANTY BANK

By: _____
Name: James R. Hamilton
Title: Senior Vice President

HIBERNIA NATIONAL BANK

By: _____
Name: _____
Title: _____

ROYAL BANK OF CANADA

By: /s/ Tom J. Oberaiguer
Name: Tom J. Oberaiguer
Title: Senior Manager

BANK OF TOKYO-MITSUBISHI, LTD., HOUSTON AGENCY, Individually and as Co-Agent

By: /s/ K. Glascock
Name: K. Glascock
Title: Vice President and Manager

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SUNTRUST BANK, Individually and as Co-Agent

By: /s/ David J. Edge
Name: David J. Edge
Title: Director

CITIBANK, N.A.

By: /s/ Douglas A. Whiddon
Name: Douglas A. Whiddon
Title: Attorney-In-Fact

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ACKNOWLEDGMENT AND RATIFICATION OF GUARANTOR

The undersigned ("Guarantor") hereby expressly (i) acknowledges the terms of the foregoing Third Amendment and Supplement to Credit Agreement; (ii) ratifies and affirms its obligations under its Guaranty

Agreement dated as of November 17, 2000, in favor of the Administrative Agent; (iii) acknowledges, renews and extends its continued liability under said Guaranty Agreement and Guarantor hereby agrees that its Guaranty Agreement remains in full force and effect; and (iv) guarantees to the Administrative Agent the prompt payment when due of all amounts owing or to be owing by it under its Guaranty Agreement pursuant to the terms and conditions thereof, as modified hereby.

The foregoing acknowledgment and ratification of the undersigned Guarantor shall be evidenced by signing the spaces provided below, to be effective as of the Third Amendment Effective Date.

ENTERPRISE PRODUCTS PARTNERS L.P., a Delaware limited
partnership

By: Enterprise Products GP, LLC, General Partner

By: /s/ Michael A. Creel
Name: Michael A. Creel
Title: Executive Vice President

THIRD AMENDMENT AND SUPPLEMENT
TO CREDIT AGREEMENT
(364-Day Credit Facility)

THIS THIRD AMENDMENT AND SUPPLEMENT TO CREDIT AGREEMENT (this "Third Amendment") is made and entered into effective as of the 31st day of July, 2002 (the "Third Amendment Effective Date"), among ENTERPRISE PRODUCTS OPERATING L.P., a Delaware limited partnership ("Borrower"); WACHOVIA BANK, NATIONAL ASSOCIATION (formerly known as First Union National Bank), as administrative agent (in such capacity, the "Administrative Agent") for each of the lenders (the "Lenders") that is a signatory or which becomes a signatory to the hereinafter defined Credit Agreement; and the Lenders party hereto.

R E C I T A L S:

A. On November 17, 2000, the Borrower, the Lenders and the Administrative Agent entered into a certain Credit Agreement (as amended and supplemented by First Amendment and Supplement to Credit Agreement dated November 6, 2001, effective as of November 16, 2001, and as further amended and supplemented by Second Amendment and Supplement to Credit Agreement dated as of April 24, 2002, the "Credit Agreement") whereby, upon the terms and conditions therein stated, the Lenders agreed to make certain Loans (as defined in the Credit Agreement) and extend certain credit to the Borrower.

B. The parties hereto mutually desire to further amend the Credit Agreement as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Borrower, the Lenders party hereto and the Administrative Agent hereby agree as follows:

1. Certain Definitions.

1.1 Terms Defined Above. As used in this Third Amendment, the terms "Administrative Agent", "Borrower", "Credit Agreement", "Third Amendment" and "Third Amendment Effective Date", shall have the meanings indicated above.

1.2 Terms Defined in Agreement. Unless otherwise defined herein, all terms beginning with a capital letter which are defined in the Credit Agreement shall have the same meanings herein as therein unless the context hereof otherwise requires.

2. Amendments to Credit Agreement.

2.1 Defined Terms. The term "Agreement," as defined in Section 1.02 of the Credit Agreement, is hereby amended to mean the Credit Agreement, as amended and supplemented by this Third Amendment and as the same may from time to time be further amended or supplemented.

PAGE 1

2.2 Additional Defined Term. Section 1.02 of the Credit Agreement is hereby further amended and supplemented by adding the following new definition, which reads in its entirety as follows:

"Third Amendment" shall mean that certain Third Amendment and Supplement to Credit Agreement dated effective as of July 31st, 2002, among the Borrower, the Lenders party thereto and the Administrative Agent.

2.3 Indebtedness. Clause (a) of Section 6.01 of the Credit Agreement is hereby supplemented to add the following proviso at the end thereof:

"; further provided, however, Indebtedness assumed in connection with the acquisition of equity interests in Seminole Pipeline Company shall be included as Indebtedness assumed pursuant to this Section 6.01(a);"

2.4 Ratio of Consolidated Indebtedness to Consolidated EBITDA. Section 6.07(b) of the Credit Agreement is hereby amended in its entirety to read as follows:

"(b) Ratio of Consolidated Indebtedness to Consolidated EBITDA. The Borrower shall not permit its ratio of Consolidated Indebtedness to Consolidated EBITDA in each case for each four full fiscal quarter period ending on the date set forth below to be greater than the correlative ratio indicated:

<u>Four Fiscal Quarter Period Ending</u>	<u>Ratio</u>
September 30, 2002	6.00 to 1.00
December 31, 2002	5.25 to 1.00
March 31, 2003	5.25 to 1.00
June 30, 2003	4.50 to 1.00
September 30, 2003 and for each four full fiscal quarter period ending thereafter	4.00 to 1.00

For purposes of calculating such ratio the Project Finance Subsidiaries shall be disregarded. For purposes of this Section 6.07(b), if during any period of four fiscal quarters the Borrower or any Subsidiary acquires any Person (or any interest in any Person) or all or substantially all of the assets of any Person, the EBITDA attributable to such assets or an amount equal to the percentage of ownership of the Borrower or a Subsidiary, as the case may

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be, in such Person times the EBITDA of such Person, for such period determined on a pro forma basis (which determination, in each case, shall be subject to approval of the Administrative Agent, not to be unreasonably withheld) may be included as Consolidated EBITDA for such period as if such acquisition occurred on the first day of such four fiscal quarter period; provided that during the portion of such period that follows such acquisition, the computation in respect of the EBITDA of such Person or such assets, as the case may be, shall be made on the basis of actual (rather than pro forma) results."

3. Conditions Precedent. In addition to all other applicable conditions precedent contained in the Credit Agreement, the obligation of the Lenders party hereto and the Administrative Agent to enter into this Third Amendment shall be conditioned upon the following conditions precedent:

(a) The Administrative Agent shall have received a copy of this Third Amendment, duly completed and executed by the Borrower and the Required Lenders; and acknowledged and ratified by the Limited Partner;

(b) The Borrower or one of its Subsidiaries shall have acquired at least a 95% membership interest in the

limited liability company that owns 100% of Mid-America Pipeline Company LLC (formerly known as Mid-America Pipeline Company); and

(c) The Administrative Agent shall have received such other information, documents or instruments as it or its counsel may reasonably request.

4. **Representations and Warranties.** The Borrower represents and warrants that:

(a) there exists no Default or Event of Default, or any condition or act which constitutes, or with notice or lapse of time or both would constitute, an Event of Default under the Credit Agreement, as hereby amended and supplemented;

(b) the Borrower has performed and complied with all covenants, agreements and conditions contained in the Credit Agreement, as hereby amended and supplemented, required to be performed or complied with by it; and

(c) the representations and warranties of the Borrower contained in the Credit Agreement, as hereby amended and supplemented, were true and correct when made, and are true and correct in all material respects at and as of the time of delivery of this Third Amendment, except to the extent such representations and warranties relate to an earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date.

5. **Extent of Amendments.** Except as expressly herein set forth, all of the terms, conditions, defined terms, covenants, representations, warranties and all other provisions of the Credit Agreement are herein ratified and confirmed and shall remain in full force and effect.

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6. **Counterparts.** This Third Amendment may be executed in two or more counterparts, and it shall not be necessary that the signatures of all parties hereto be contained on any one counterpart hereof; each counterpart shall be deemed an original, but all of which together shall constitute one and same instrument.

7. **References.** On and after the Third Amendment Effective Date, the terms "Agreement", "hereof", "herein", "hereunder", and terms of like import when used in the Credit Agreement shall, except where the context otherwise requires, refer to the Credit Agreement, as amended and supplemented by this Third Amendment.

THIS THIRD AMENDMENT, THE CREDIT AGREEMENT, AS AMENDED HEREBY, THE NOTES AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

This Third Amendment shall benefit and bind the parties hereto, as well as their respective assigns, successors, heirs and legal representatives.

[Signatures Begin on Next Page]

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EXECUTED as of the Third Amendment Effective Date.

BORROWER:

ENTERPRISE PRODUCTS OPERATING L.P.

By: Enterprise Products GP, LLC , General Partner

By: /s/ Michael A. Creel
Name: Michael A. Creel
Title: Executive Vice President

LENDERS AND AGENTS:

WACHOVIA BANK, NATIONAL ASSOCIATION (formerly known as First Union National Bank), Individually and as Administrative Agent

By: /s/Russell T. Clingman
Name: Russell T. Clingman
Title: Director

BANK ONE, NA (Main Office - Chicago),
Individually and as Co-Syndication Agent

By: /s/Dianne L. Russell
Name: Dianne L. Russell
Title: Director

THE BANK OF NOVA SCOTIA, Individually and as Co-Syndication Agent

By: /s/ M.D. Smith
Name: M.D. Smith
Title: Agent

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MIZUHO CORPORATE BANK, Ltd., Individually and as Managing Agent

By: /s/ Toru Maeda
Name: Toru Maeda

Title: General Manager

FLEET NATIONAL BANK, Individually and as Co-Documentation Agent

By: /s/Christopher C. Holmgren
Name: Christopher C. Holmgren
Title: Managing Director

WESTDEUTSCHE LANDESBANK
GIRONZENTRALE, NEW YORK BRANCH, Individually and as Co-Documentation Agent

By: /s/Duncan M. Robertson /s/Jeffrey S. Davidson
Name: Duncan M. Robertson Jeffrey S. Davidson
Title: Director Associate Director

TORONTO DOMINION (TEXAS), INC.

By: /s/Jean K. Pettit
Name: Jean K. Pettit
Title: _____

GUARANTY BANK

By: _____
Name: James R. Hamilton
Title: Senior Vice President

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HIBERNIA NATIONAL BANK

By: _____
Name: _____
Title: _____

ROYAL BANK OF CANADA

By: /s/Tom J. Oberaigner
Name: Tom J. Oberaigner
Title: Senior Manager

BANK OF TOKYO-MITSUBISHI, LTD., HOUSTON AGENCY

By: /s/K. Glasscock
Name: K. Glasscock
Title: Vice President and Manager

SUNTRUST BANK,
Individually and as Managing Agent

By: /s/David J. Edge
Name: David J. Edge
Title: Director

CITIBANK, N.A.

By: /s/Douglas A. Whiddon
Name: Douglas A. Whiddon
Title: Attorney-In-Fact

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ACKNOWLEDGMENT AND RATIFICATION OF GUARANTOR

The undersigned ("Guarantor") hereby expressly (i) acknowledges the terms of the foregoing Third Amendment and Supplement to Credit Agreement; (ii) ratifies and affirms its obligations under its Guaranty Agreement dated as of November 17, 2000, in favor of the Administrative Agent; (iii) acknowledges, renews and extends its continued liability under said Guaranty Agreement and Guarantor hereby agrees that its Guaranty Agreement remains in full force and effect; and (iv) guarantees to the Administrative Agent the prompt payment when due of all amounts owing or to be owing by it under its Guaranty Agreement pursuant to the terms and conditions thereof, as modified hereby.

The foregoing acknowledgment and ratification of the undersigned Guarantor shall be evidenced by signing the spaces provided below, to be effective as of Third Amendment Effective Date.

ENTERPRISE PRODUCTS PARTNERS L.P., a Delaware limited partnership

By: Enterprise Products GP, LLC, General Partner

By: /s/ Michael A. Creel
Name: Michael A. Creel
Title: Executive Vice President