RECEIVED

By Docket Room at 8:00am, May 13, 2014

# UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

)

)

)

#### WENTWORTH GAS MARKETING LLC

FE Docket No. 14-63-CNG

## APPLICATION OF WENTWORTH GAS MARKETING LLC FOR LONG-TERM AUTHORIZATION TO EXPORT COMPRESSED NATURAL GAS

Pursuant to Section 3 of the Natural Gas Act ("NGA")<sup>1</sup> and Part 590 of the Department of Energy's ("DOE") regulations,<sup>2</sup> Wentworth Gas Marketing LLC ("Wentworth Gas") hereby submits this application with the DOE, Office of Fossil Energy ("DOE/FE") for long-term authorization for Wentworth Gas to export up to approximately 60 billion cubic feet ("Bcf") per annum (60 trillion Btu/year) (equivalent to approximately 5.0 Bcf per month (5.0 trillion Btu/month) or 0.166 Bcf per day (0.166 trillion Btu/day)) of domestically produced compressed natural gas ("CNG") for a 20-year period, commencing on the earlier of the date of first export or five (5) years from the date the requested authorization is granted (the "Application"). Wentworth Gas seeks authorization to export CNG using intermodal transportation containers via truck and ocean-going carrier from the State of Texas to any country with which the United States currently has, or in the future may enter into, a free trade agreement ("FTA") requiring national treatment for trade in natural gas.

Wentworth Compression LLC ("Wentworth Compression"), an affiliate of Wentworth Gas, intends to construct, own and operate a CNG compression and container loading facility (the "Facility") near the Port of Freeport, Texas, off Brazoria Interconnector Gas Pipeline

<sup>&</sup>lt;sup>1</sup> 15 U.S.C. § 717b (2013).

<sup>&</sup>lt;sup>2</sup> 10 C.F.R. Pt. 590 (2013).

("BIG"), an intrastate pipeline performing natural gas transportation within Texas. Wentworth Compression will receive gas from the BIG system via a third-party, intrastate lateral pipeline, approximately eleven miles in length. Wentworth Compression will compress and containerize the natural gas, and sell up to 60 Bcf per year (0.166 Bcf per day) of containerized CNG to Wentworth Gas. Wentworth Compression will ensure that all requisite regulatory approvals are obtained for the CNG compression and loading facilities contemplated in this Application. The timing for completion of the Wentworth Compression Facility is approximately 12 months from the date that final regulatory approvals are obtained.

Wentworth Gas, in turn, will make both domestic and export sales of the containerized CNG purchased from Wentworth Compression. At this time, potential domestic markets include vessel fuel sales, enhanced oil recovery applications, and local CNG fueling stations. It currently is contemplated that all containerized CNG sold by Wentworth Gas for export will be sold to entities located in FTA countries. Wentworth Gas will act as export agent for these CNG sales to entities in FTA countries. Wentworth Gas reserves its right to seek an export authorization to countries with which the United States does not have a Free Trade Agreement (non-FTA) in the future, should appropriate market opportunities present themselves in such jurisdictions.

Wentworth Gas's authorization as described herein is consistent with the public interest and should be granted by DOE/FE under the applicable statutory provisions governing the exportation of natural gas to FTA countries.<sup>3</sup> Wentworth Gas requests this authorization both on its own behalf and as agent for others for up to approximately 5.0 Bcf/month of CNG to any permitted destination. In the near term, the project intends to sell domestically produced CNG to entities in the Dominican Republic, Panama, Guatemala, El Salvador, Honduras and Costa Rica (each an FTA country).

<sup>&</sup>lt;sup>3</sup> 15 U.S.C. § 717b.

In support of this Application, Wentworth Gas respectfully states the following:

# I. <u>COMMUNICATIONS AND CORRESPONDENCE</u>

All communications and correspondence regarding this Application should be directed to the following persons:

Deborah Hart Vice President Wentworth Gas Marketing LLC 2000 Westchester Avenue Purchase, New York 10577-2530 Tel: 914-225-1430 Fax: 212-507-8843 Email: Deborah.Hart@morganstanley.com Paul F. Forshay Michael A. Stosser Sutherland Asbill & Brennan LLP 700 Sixth Street, N.W., Suite 700 Washington, D.C. 20001-3980 Tel.: 202-383-0100 Fax: 202-637-3593 Email: paul.forshay@sutherland.com; michael.stosser@sutherland.com

## II. <u>DESCRIPTION OF THE APPLICANT</u>

The exact legal name of the applicant is Wentworth Gas Marketing LLC, a Delaware limited liability company with its principal place of business at 2000 Westchester Avenue, Purchase, New York 10577. Wentworth Gas is a wholly owned subsidiary of Wentworth Holdings LLC, a limited liability company organized under the laws of Delaware, which in turn is indirectly owned by Morgan Stanley, a corporation formed under the laws of Delaware, with its principal place of business at 1585 Broadway, New York, New York. Wentworth Holdings LLC also wholly owns Wentworth Compression LLC, a Delaware limited liability company with its principal place of business at 2000 Westchester Avenue, Purchase, New York 10577, which will construct, own and operate the Facility. Upon completion of the Facility and the initiation of service by Wentworth Compression, Wentworth Gas will engage in the business of natural gas sales through the sale of CNG produced at the Facility. The gas sold by Wentworth Gas will be consumed in both domestic and export markets, and Wentworth Gas also will act as export agent for sales of CNG to entities in FTA countries.

#### III. <u>DESCRIPTION OF THE PROPOSED EXPORT ACTIVITY</u>

Wentworth Gas seeks long-term, multi-contract authorization to export domestically produced CNG obtained from the natural gas compression and container loading facility to be constructed, owned and operated by its affiliate Wentworth Compression. Wentworth Compression intends to construct the Facility on a 50-acre site near the Port of Freeport, Texas. The parcel where the Facility will be built will be leased from the Port of Freeport. The Facility will have the capacity to load up to 270 Department of Transportation-approved International Organization for Standardization ("ISO") containers of CNG per day. Wentworth Compression will sell up to 60 Bcf per year (0.166 Bcf per day) of containerized CNG to Wentworth Gas. All of the Facility's output would be sold to Wentworth Gas.

Once sourced, CNG will be compressed and stored in ISO containers, staged temporarily and transported from the Facility via truck approximately one mile to the Port of Freeport, and shipped on vessels chartered by Wentworth Gas to various destinations. There will be no facilities for permanent or long-term gas storage at the Facility, nor will there be a warehouse to store the ISO containers. Of course, Wentworth Compression will comply with all of the Port of Freeport's regulations relating to container storage, as will be set forth in the lease agreement between Wentworth Compression and the Port of Freeport.

As contemplated, the Facility would comprise a "mixed use" CNG project. As described above, Wentworth Gas anticipates selling CNG to be consumed in both domestic markets and export markets in FTA countries located in the Caribbean and Central America regions. Wentworth Gas has not yet entered into any long-term supply agreements with entities in the Caribbean, Central America or elsewhere. As described in Section IV of this Application, Wentworth Gas commits to filing with DOE/FE copies of any future executed agreements. As indicated in the attached letter, Wentworth Compression has entered into a letter of intent regarding CNG supply with Wentworth Gas, and Wentworth Compression has entered into (i) as indicated in the attached letter, Wentworth Compression has entered into an engineering, procurement and construction ("EPC") contract for construction of the Facility and (ii) Wentworth Compression's EPC contractor has entered into an access agreement with the Port of Freeport regarding the site for the Facility, a copy of which is attached. In addition, Wentworth Compression anticipates executing additional agreements to purchase containers and to finalize arrangements with the Port of Freeport regarding the loading of containerized CNG onto ships for export.

#### IV. <u>AUTHORIZATION REQUESTED</u>

Wentworth Gas requests authorization to export up to approximately 60 Bcf per year (0.166 Bcf per day) of domestically produced CNG, via truck and ocean-going carrier for export from Texas to any country with which the United States currently has, or in the future will have, an FTA requiring national treatment for trade in natural gas. Wentworth Gas requests this long-term authorization for a 20-year period, commencing on the earlier of the date of first export or five (5) years from the date the requested authorization is granted. Wentworth Gas requests this authorization both on its own behalf and as agent for others.

DOE/FE's regulations require applicants to submit information regarding the terms of the transaction, including long-term supply agreements and long-term export agreements.<sup>4</sup> DOE/FE has found that an applicant need not submit this information at the time of its original application if such transaction-specific information is not available because the contracts have not yet been executed.<sup>5</sup> In such instances, DOE/FE has permitted applicants to submit such information

<sup>&</sup>lt;sup>4</sup> 10 C.F.R. § 590.202(b)(4).

<sup>&</sup>lt;sup>5</sup> See, e.g., Jordan Cove Energy Project, L.P., DOE/FE Order No. 3413 (Mar. 24, 2014).

within 30 days of contract execution, which DOE/FE has found conforms to the requirement in its regulations that such information be submitted "to the extent practicable."<sup>6</sup> Wentworth Gas requests that DOE/FE make the same finding in this proceeding and commits that it will file within 30 days of execution, a copy (both a confidential, non-redacted version and a publically available, redacted version) of any long-term agreement entered into between Wentworth Gas and an entity for the export and sale of CNG.<sup>7</sup>

#### V. <u>PUBLIC INTEREST</u>

Wentworth Gas's authorization as described herein is consistent with the public interest and should be granted by DOE/FE under the applicable statutory provisions governing the exportation of natural gas to FTA countries.<sup>8</sup> NGA Section 3(c), as amended by Section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486), provides that:

[T]he exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, shall be deemed to be consistent with the public interest, and applications for such importation or exportation shall be granted without modification or delay.<sup>9</sup>

Under this statutory presumption, this Application to export CNG to nations with which the United States currently has, or in the future may enter into, a FTA requiring national treatment for trade in natural gas, shall be deemed consistent with the public interest and should be granted by DOE/FE without modification or delay. Consistent with this statutory provision, Wentworth Gas requests that DOE/FE promptly grant its request to export CNG to FTA countries.

<sup>&</sup>lt;sup>6</sup> Id.

<sup>&</sup>lt;sup>7</sup> See, e.g., Dominion Cove Point LNG, LP, DOE/FE Order No. 3331 (Sept. 11, 2013).

<sup>&</sup>lt;sup>8</sup> 15 U.S.C. § 717b.

<sup>&</sup>lt;sup>9</sup> 15 U.S.C. § 717b(c).

#### VI. <u>EXPORT SOURCES</u>

Wentworth Gas seeks authorization to export natural gas available from the United States natural gas pipeline supply and transmission system. The Wentworth Compression Facility will interconnect with the BIG system via a third-party, intrastate pipeline approximately eleven miles in length. Through this interconnection with BIG, Wentworth Compression will be able to indirectly access the national natural gas pipeline grid, providing Wentworth Gas and its potential customers with a variety of stable and economical supply options.

#### VII. <u>APPENDICES</u>

The following appendices are included with this Application:

Appendix A	Opinion of Counsel
Appendix B	Verification
Appendix C	Letter of Intent and Access Agreement
Appendix D	Letter of Intent

#### **CONCLUSION**

For the reasons set forth above, Wentworth Gas respectfully requests that the DOE issue an order granting Wentworth Gas long-term authorization to export up to approximately 60 Bcf per annum (approximately 0.166 Bcf per day) of CNG for a 20-year term to any country with which the United States currently has, or in the future may enter into, an FTA requiring national treatment for trade in natural gas. Wentworth Gas requests this authorization on its own behalf and as agent for others. As demonstrated herein, the authorization requested is consistent with the public interest and, accordingly, should be granted pursuant to Section 3 of the NGA without modification or delay.

Respectfully submitted,

chael.

Michael A. Stosser Paul F. Forshay Sutherland Asbill & Brennan LLP 700 Sixth Street, N.W., Suite 700 Washington, D.C. 20001-3980 Tel.: 202-383-0100 Fax: 202-637-3593 Email: <u>michael.stosser@sutherland.com</u> paul.forshay@sutherland.com

Counsel for Wentworth Gas Marketing LLC

Dated: May 12, 2014

# APPENDIX A OPINION OF COUNSEL

# SUTHERLAND

SUTHERLAND ASBILL & BRENNAN LLP First City Tower 1001 Fannin, Suite 3700 Houston, TX 77002-6760 713.470.6100 Fax 713.654.1301 www.sutherland.com

CHAD E. MILLS DIRECT LINE: 713.470.6167 E-mail: chad.mills@sutherland.com

May 12, 2014

Mr. John Anderson Office of Fuels Programs, Fossil Energy U.S. Department of Energy Docket Room 3F-056, FE-50 Forrestal Building 1000 Independence Avenue, S.W. Washington, D.C. 20585

> Re: Wentworth Gas Marketing LLC Application for Long-Term Authorization to Export Compressed Natural Gas (FE Docket No. 14 -\_\_\_\_-CNG)

Dear Mr. Anderson:

This opinion is furnished to you pursuant to Section 590.202(c) of the Department of Energy's Regulations, 10 C.F.R. § 590.202(c) and in connection with the application of Wentworth Gas Marketing LLC (Wentworth Gas) for long-term authorization to export compressed natural gas. I am counsel for Wentworth Gas, a limited liability company organized under the laws of the State of Delaware. I have reviewed and relied upon the corporation formation documents of Wentworth Gas and information provided to me by its upstream parent company Morgan Stanley Capital Group Inc. Based on the foregoing, and for the purposes of Wentworth Gas's application to the Office of Fossil Energy, I am of the opinion that the proposed exports as described in the application are within the corporate powers of Wentworth Gas.

Respectfully submitted,

M M

Chad E. Mills, Partner Sutherland Asbill & Brennan LLP 1001 Fannin Street, Suite 3700 Houston, TX 77002-6760 Tel.: 713-470-6100 Fax: 713-654-1301 Email: chad.mills@sutherland.com

Counsel for Wentworth Gas Marketing LLC

# APPENDIX B VERIFICATION

#### UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

)

)

)

#### WENTWORTH GAS MARKETING LLC

FE Docket No. 14-\_\_\_-CNG

## VERIFICATION

The undersigned, being duly sworn, states that I am the authorized representative of Wentworth Gas Marketing LLC; that I am duly authorized to make this Verification; that I have read the foregoing application and am familiar with the contents therein; that all the statements and matters contained therein are true and correct to the best of my information, knowledge and belief; and that I am authorized to execute and file this application with the United States Department of Energy.

Michael A. Stosser Of Counsel Sutherland Asbill & Brennan LLP

Subscribed and sworn to before me this 12th day of May 2014.

Notary Public for the State of New York

21,2015 My commission expires:

MARITZA MARTINEZ Notary Public, State of New York No. 01MA6096008 Qualified in Kings County Commission Expires July 21, 2015

# APPENDIX C LETTER AND ACCESS AGREEMENT



111 West Olmos San Antonio TX 78212

PO Box 436317 Louisville KY 40253

9 May 2014

Wentworth Compression LLC 2000 Westchester Avenue Purchase, NY 10577 USA

Re: EPC Contract and Access Agreement - CNG Project

Ladies and Gentlemen:

1 -5

This letter confirms that HP Industries, LLC ("Holt") and Wentworth Compression LLC ("Wentworth") are parties to an Engineering, Procurement, and Construction Contract, dated April 2, 2014 (the "EPC Contract") pursuant to which Holt has agreed to construct a facility for the compression of natural gas to be owned by Wentworth (the "CNG Facility"). In connection with the EPC Contract, Holt has entered into an [Access Agreement] with the Port Freeport dated  $[\frac{\sqrt{-12} \cdot 14}{2}]$  for purposes of obtaining rights to access the real property on which the CNG Facility will be located, a copy of which is attached.

Very truly yours,

Name: Title:

Access Agreement

May 12, 2014

H.P. Industries LLC 111 W Olmos Drive San Antonio Texas 78212 Attention : Ben Holt - 502-724-7225

Re: Request H.P. Industries LLP ("Licensee") for authorization to conduct environmental studies, surveying and geotechnical investigations on property belonging to Port Freeport (the "Port")

#### Inspection Authorization and Hold Harmless Agreement

#### Dear Mr. : Ben Holt

You have requested that the Port allow H.P. Industries LLP access to certain tracts of land owned by the Port for the purpose of conducting surveying, geotechnical studies, environmental studies and other investigations ("Inspections"). We understand that this request is being made for the purpose of evaluating the property's suitableness for development of your project. This letter sets forth the terms on which the Port will allow Licensee, its surveyors, agents, contractors, subcontractors and employees (collectively, the "Authorized Persons") access to property owned by the Port for such purposes of performing the Inspections you deem necessary. This letter does not constitute a lease or an easement or an agreement to grant a lease or an easement.

1. License. Subject to the terms and provisions set forth herein, the Port hereby grants Licensee a limited, non-exclusive and non-transferable license to enter upon the property more particularly described as Parcel 19 as shown on the Port Property map attached hereto (the "*Property*") for the sole purpose of the Inspections. The foregoing license shall automatically terminate on the earlier to occur of (i) completion of the fieldwork required for the Inspections, or (ii) [insert Dates please]. (2-3)

BNA

2. <u>Rules and Regulations</u>. At all times while on the Property, Licensee will and will cause all Authorized Persons to comply with all state and federal safety rules and regulations now in effect or hereafter promulgated by the Port and governing activities on Port lands. In addition, Licensee will identify to the Port, in a manner satisfactory to the Port, all employees, agents, contractors, subcontractors and surveyors of Licensee who are to enter upon the Property. The Port shall have the absolute right to refuse entry upon the Property to any person (a) who fails to comply with the Port's safety rules and regulations, or (b) to whom the Port has a reasonable objection.

3. <u>Insurance Requirements</u>. Licensee agrees that all contracts entered into by and between Licensee and a third party (including but not limited to surveyors, contractors and subcontractors) for the work relating to the Inspections and all contracts providing for the use of the Port's land for ingress and egress to other areas, shall contain a clause requiring such third party to assume liability for loss to the Port's property, facilities, and its operations, and loss to property of third parties, and for injury to or death of the Port's employees, agents or any other persons caused by or arising from the work performed by such third party on the Property. Such clause shall also require the third party to furnish and maintain in force throughout the time that work is being performed, a general comprehensive liability insurance policy (in the case of a contractor a comprehensive Commercial General Liability Insurance Policy), the limits of the liability of such policy to be not less than \$500,000.00 per person and \$1,000,000.00 per accident for bodily injury or death, but not limited as to the number of accidents and in an amount of not less than \$500,000.00 for property loss or damage. Such clause will further provide that prior to commencement of any work the third party will tender to the Port a certificate or written statement from the insurance carrier evidencing the above required insurance, and showing the Port as an additional insured party. The policies evidencing the required insurance will contain an endorsement to the effect that cancellation or any material change in the policies adversely affecting the interests of the Port in such insurance shall not be effective until 20 days after written notice thereof to the Port. Licensee will carry and maintain similar coverage with similar endorsements in favor of the Port (and shall furnish copies of same to the Port before any fieldwork relating to the Inspections begins).

4. <u>Indemnity</u>. Licensee hereby assumes all liability for, and agrees to defend, indemnify and hold the Port, its commissioners, directors, employees, attorneys, agents, successors and assigns (collectively, the "Indemnified Parties"), harmless from all claims, demands, fines, damages, liabilities, losses, costs, expenses (including without limitation reasonable attorneys' fees and court costs), penalties, assessments, environmental response costs, and/or injunctive obligations, which may be suffered or incurred at any time by the Indemnified Parties, on account of injuries to or death of any persons, damage to or destruction of any property, and/or any violation of any applicable law, rule, regulation, or order of any governmental entity, caused by, resulting from, or arising out of the entry upon the Property by any of the Authorized Persons and the fieldwork relating to the Inspections to be performed hereunder or the rights granted herein.

It is the intention of the Port and Licensee that the indemnity obligations of Licensee are without regard to whether the strict liability, fault, concurrent or contributory negligence of any of the Indemfified Parties is a factor and such obligations are intended to protect the Indemnified Parties against the consequences of their own strict liability, fault, concurrent or contributory negligence. Only those matters which are determined to be a result of the sole negligence of any of the Indemnified Parties not caused or contributed to by the negligence or fault of Licensee, its employees, agents, contractors, subcontractors, surveyors or other third parties, shall be excluded from Licensee's obligations to indemnify. The obligations of this paragraph shall survive the cancellation, expiration, or termination of this letter agreement and shall be binding upon Licensee, its successors and assigns.

5. <u>Delivery of Reports</u>. Licensee will deliver to the Port (on or before thirty (30) days following the expiration date of this authorization) a copy of all surveys, studies, investigations, tests, test results, reports or other work product produced by any of the Authorized Persons with respect to any of the samples taken. As to each of the Authorized Persons performing physical work to the Property, prior to the commencement of any such work, Licensee shall:

(a) give written notice to the Port listing the work to be performed and the name, address, telephone number and the individual responsible for the work;

(b) obtain and deliver to the Port the written agreement of the Contractor that a copy of any survey, study, investigation, test, report or other work product will be delivered to the Port at the same time that it is delivered to Licensee, and confirming that the Port is a named indirect beneficiary of the written product of the work without any obligation to pay any related fees or expenses and that the Port is entitled freely to the use and benefit of the written product of the work and to rely on any express and all usual and customary implied warranties.

In addition, upon request of the Port, Licensee will return all soil samples taken pursuant to this authorization (to the extent that same were not destroyed in the course of testing). It is understood and

agreed that all such soil samples shall be and remain the sole property of the Port.

6. <u>Property Conditions</u>. Licensee will promptly repair and restore all damage to the Property arising out of or in connection with any entry upon the Property by Licensee or any of the Authorized Persons.

7. <u>Confidentiality</u>. Licensee shall keep, and shall cause all of its agents, employees, and . consultants to keep, all information or data obtained from any review of the records, inspection, test, or . report confidential, except for disclosures required by law. The provisions of this subsection shall survive termination of this Agreement.

8. <u>Port Representative; Reimbursement of Expenses</u>. The Port shall have the right, but shall not be obligated, to have a representative present during the Inspection work. <u>Although the representative</u> shall have the right to stop work at any time, the representative is present at the site solely for the benefit of the Port and is not responsible for the safety of work crews. If the Port requires a representative to be present, Licensee agrees to pay the Port a reasonable fee in an amount to be established by the Port from time to time (subject to such documentation as Licensee may reasonably request), which fee covers reimbursement of the cost of the representative and related administrative costs. The fee for this representative will be billed when the work has been completed and is to be paid within thirty (30) days of invoice.

Please evidence your acceptance of and agreement to the foregoing terms by signing in the space provided below and returning a copy of this letter to me at your earliest convenience. Work related to the Inspections can begin once we have received a signed copy of this letter along with the insurance certificates described above. If you have any questions, please let me know.

Port Freeport

Glenn Carlson CEO/Executive Port Director Port Freeport

AGREED TO and ACCEPTED on this Z day of the / H.P. Industries LI. Name

# APPENDIX D LETTER OF INTENT

# WENTWORTH COMPRESSION LLC 2000 WESTCHESTER AVENUE | FLOOR 01 PURCHASE, NEW YORK 10577-2530

May 12, 2014

Wentworth Gas Marketing LLC 2000 Westchester Avenue Purchase, New York 10577

#### **Re: CNG Sales Transaction**

Dear Sirs:

This letter ("<u>Letter</u>") confirms the intent, subject to Paragraph 1 below, of the undersigned, Wentworth Compression, LLC (the "<u>Seller</u>") and Wentworth Gas Marketing LLC (the "<u>Buyer</u>") to engage in discussions with the objective of Seller and Buyer entering into a definitive agreement or agreements (collectively, and together with any related or supporting documents, the "<u>Definitive Agreement</u>") regarding the sale of compressed natural gas to Buyer (the "<u>Transaction</u>"). Seller and Buyer may each be referred to in this Letter as a "<u>Party</u>" and, collectively, as the "<u>Parties</u>".

- 1. <u>Obligations of the Parties</u>. The terms and conditions of the Definitive Agreement and the rights and obligations of each party with respect to the Transaction would be governed by the terms set forth on the term sheet attached as <u>Exhibit A</u> to this Letter (the "<u>Term</u> <u>Sheet</u>"). The Parties acknowledge and agree that (i) essential terms required to be addressed in the Definitive Agreements have not been agreed as of the date hereof and (ii) without prejudice the provisions of this Letter.
- 2. <u>Announcements</u>. There will be no public announcement made relating to the proposed transaction unless agreed to in writing by Seller and Buyer.
- 3. <u>Expenses</u>. Each Party shall pay its respective costs for all consulting, legal, accounting fees and other expenses incurred by it in connection with the preparation, negotiation, execution and delivery of the Definitive Agreement and with respect to the Transaction, unless otherwise specified in the Definitive Agreement. In the event the Parties are unable to conclude the Definitive Agreement for any reason, no Party shall be required to reimburse any other Party for any losses, foregone profits, expenses or any other damages associated with such unsuccessful conclusion.
- 4. <u>Assignment</u>. Any assignment of this Letter by either Party shall be null and void without the express written consent of the other Party.

- 5. <u>Third Party Compensation</u>. No Party has been contacted by or negotiated with any finder, broker or other intermediary in connection with the Transactions who is entitled to any compensation with respect thereto.
- 6. <u>Governing Law, Jurisdiction and Waiver of Jury Trial</u>. This Letter shall be governed by, construed and enforced under the laws of New York. Each Party hereby irrevocably submits to the exclusive jurisdiction of any federal court of competent jurisdiction situated in New York, New York, or, if any federal court declines to exercise or does not have jurisdiction, in any New York state court in New York, New York, and to service of process by certified mail. Each Party hereby irrevocably waives, to the fullest extent permitted by law, any objection to personal jurisdiction, whether on grounds of venue, residence or domicile. Each Party waives, to the fullest extent permitted by law, any right it may have to a trial by jury in respect of any proceedings relating to this Letter.
- 7. <u>Entire Agreement</u>. This Letter constitutes the entire agreement of the Parties regarding the matters contemplated herein or related thereto, and supersedes any prior agreement or understanding between the Parties, whether written or oral. No representations or warranties shall be implied or provisions added hereto in the absence of a written agreement to such effect between the Parties after the date of this Letter.
- 8. <u>Invalidity</u>. If any provision of this Letter is determined to be null and void, voidable or invalid by a court of competent jurisdiction, then for such period that the same is void or invalid, it shall be deemed to be deleted from this Letter and the remaining portions of this Letter shall remain in full force and effect.
- 9. <u>Interpretation</u>. All headings herein are intended solely for convenience of reference and shall not affect the meaning or interpretation of the provisions of this Letter. Unless expressly provided otherwise, the word "including" as used herein does not limit the preceding words or terms.
- 10. <u>Counterparts</u>. This Letter may be executed by the Parties in separate counterparts and initially delivered by facsimile transmission or otherwise, with original signature pages to follow, and all such counterparts shall together constitute one and the same instrument.

# [Signature Page Follows]

Please indicate your agreement to the terms of this Letter by signing and returning a copy of this Letter to the undersigned. We look forward to working with you towards execution of Definitive Agreements.

Sincerely,

# Wentworth Compression LLC

By: /

Name: Deborah Ĺ. Hart Title: Vice President

Accepted and agreed as of May 12, 2014

Wentworth Gas Marketing LLC

By: Name: Peter Sherk Title: Vice President

# EXHIBIT A

# **Indicative Terms for CNG Sales Agreement**

THESE INDICATIVE TERMS ARE FOR DISCUSSION ONLY. THE SUMMARY THAT FOLLOWS IS SUBJECT TO INTERNAL APPROVAL AND SATISFACTORY DUE DILIGENCE AND DOES NOT CONSTITUTE AN OFFER OR COMMITMENT TO ENTER ANY TRANSACTION.

Buyer	Wentworth Gas Marketing LLC
Seller	Wentworth Compression LLC
General	Seller will sell and Buyer will purchase containerized compressed natural gas ("CNG") on terms consistent with the terms set forth in this Term Sheet and pursuant to a sales agreement ("Sales Agreement").
Monthly Volume	To be agreed.
Term	Twenty (20) years, subject to extensions.
Price	Buyer will purchase CNG at prevailing market prices in accordance with a mutually acceptable gas pricing index.
Force Majeure	The Sales Agreement will include customary force majeure provisions.
Payment Terms	Net 15 days.
Conditions Precedent	Seller's obligations will be subject to the satisfaction or waiver of certain conditions precedent to be specified separately in the Sales Agreement, including Seller having made a final investment decision to construct its CNG project. Such final investment decision will be dependent upon: (a) arrangement of logistics and construction arrangements with third parties on terms that are acceptable to Seller, including, without limitation, with respect to the construction of compression facilities, transportation of natural gas to the compression facilities, rail transportation, acquisition or leasing of containers, and chartering of vessels; and (b) receipt by Seller of necessary governmental approvals, including, without limitation, the export authorization required from the US Department of Energy.

Governing Law	New York
Additional Terms	The Sales Agreement would include, numerous essential terms not detailed herein, including: (a) customary representations, warranties and covenants, and (b) customary indemnification provisions.