other than the defendant, or a third party under contract to the defendant. This disclosure shall be made in the

following manner:

- (1) at the time of each initial contact between the defendant and a well operator concerning the provision of gathering which will require meter installation, the defendant shall expressly inform the well operator that the operator may choose to provide meter installation itself, subject to any specifications and inspections required by defendant consistent with Section V(A)-(D);
- (2) at the time of the initiation of any discussion between the defendant and a well operator concerning the terms of any agreement that will require the well operator to bear any cost of meter installation, the defendant shall provide the well operator with the following materials arranged in the following order:
- a. a copy of the Notice to El Paso Natural Gas Company Gathering Customers attached as Attachment A to this Final Judgment;
- b. a statement that the defendant will, as soon as practicable, provide the well operator with the estimates described in Section V(D)(3);
- c. A sample of the contract that the defendant uses when it provides meter installation for a well operator;
- d. a sample of the contract that the defendant uses when the well operator provides all or part of the meter installation;
- e. a copy of any specifications, standards and procedures that the defendant, consistent with the provisions of Section V(A)–(D), may require the well operator to follow when the operator performs the meter installation:
- (3) as soon as practicable after the initiation of any discussion between the defendant and a well operator concerning the terms of any agreement that will require the well operator to bear any cost of meter installation, the defendant shall provide the well operator with:
- a. a statement of the estimated total price that the defendant will charge the well operator if the defendant provides meter installation, and a detailed statement setting forth each of the services or materials, and costs for those services or materials, that comprise that total price;
- b. a statement of the estimated total price that the defendant will charge the well operator for construction or inspection if the well operator chooses to provide for meter installation itself, and a detailed statement setting forth the services and materials, and costs for

those services and materials, that comprise that total price;

(E) entering into an agreement with a well operator, pursuant to which the well operator will perform meter installation, and which includes any specifications, standards and procedures that the defendant has imposed pursuant to Section V(A)–(D), without including in the document memorializing that agreement:

(1) the following clause regarding access to inspection logs:

The well operator shall, upon reasonable notice, have access to any inspections logs maintained by El Paso Natural Gas Company that pertain to any meter installation covered by this contract, and, for comparison purposes, access to any inspection logs maintained by El Paso Natural Gas Company that relate to meter installation provided by El Paso Natural Gas Company."; and

(2) the following clause, unless the well operator waives in writing its right to the inclusion of such clause:

In the event of a dispute related to the interpretation or performance of this agreement, each party shall designate an authorized agent to investigate, discuss and seek to settle the matter between them. If the two agents are unable to settle the matter within 10 days after notification of the designation, the matter shall be submitted to a senior officer of each party for consideration. If settlement cannot be reached through their efforts within an additional 20 days, or such longer time as they shall agree upon, the parties shall enter into a biding form of arbitration of their dispute, the costs of which shall be apportioned by the arbitrator.

V

Limiting Conditions

Nothing in this Final Judgment shall prohibit the defendant from:

(A) specifying the type of metering facilities a well operator must use when connecting a well or wells to the gathering system, provided that the specifications uniformly apply to all persons, including the defendant;

(B) specifying standards and procedures that must be followed for meter installation, provided that the standards and procedures uniformly apply to all persons performing such installations, including the defendant;

(C) requiring that meter installations provided by a well operator, or third parties under contract to the operator, be subject to inspection by the defendant to ensure compliance with any standards and procedures specified by the defendant, provided that:

(1) if the defendant requires any meter installation inspections, it does so for all meter installations, including those meter installations provided by the defendant;

- (2) the inspection process the defendant uses is uniform for all meter installations, including those meter installations provided by the defendant. The defendant shall ensure that the persons conducting the inspections do not unreasonably withhold any necessary approvals, or impose any unreasonable compliance requirements;
- (3) the defendant requires persons conducting the inspections to keep a contemporaneously written log for each inspection they conduct, including any inspections of metering facilities installed by the defendant;
- (D) requiring a well operator to pay for any inspections the defendant requires, consistent with the provisions of Section V(C), provided that any charge the defendant requires for such inspections is reasonable, calculated on a uniform basis, and is uniformly applied to all meter installations, including those provided by the defendant:
- (E) requiring a well operator to use only those persons designated by the defendant to install a tap, provided that the defendant either:
- (1) charge the well operator no more than the actual cost of materials, equipment and labor, which labor charge shall include only wages, benefits and payroll taxes, incurred in installation when the defendant installs the tap, or
- (2) include in any such designation at least three persons in the San Juan Basin, other than the defendant or any third party under any contractual relationship with the defendant, whom the operator can select to perform such installation;
- (F) specifying to a well operator the location at which a well will be connected to the gathering system;
- (G) requiring a well operator to convey to the defendant title to the metering facilities connecting a well to the gathering system that are installed at the operator's expense, as a condition of connecting that well to the system, provided that the defendant agrees at the time of any such required conveyance that title for those facilities will revert back to the operator upon abandonment or plugging of the well, or upon the operator's request that the defendant discontinue gathering gas from the well;
- (H) requiring the well operator to agree to indemnify the defendant against any liability arising from the acts or omissions of the operator, or a third party under contract to the operator, which are related to meter installation performed by the operator or third party;