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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

Chapter 11

General Motors Corp.,

Case No. 09-50026 (REG)
(Jointly Administered)

Debtors.

**LIMITED OBJECTION OF NATIONAL FUEL RESOURCES, INC.
TO THE NOTICE OF (I) DEBTORS' INTENT TO ASSUME AND
ASSIGN CERTAIN EXECUTORY CONTRACTS, UNEXPIRED LEASES
OF PERSONAL PROPERTY AND UNEXPIRED LEASES
OF NONRESIDENTIAL REAL PROPERTY AND
(II) CURE AMOUNTS RELATED THERETO**

National Fuel Resources, Inc. ("NFR"), by its undersigned counsel, hereby objects on a limited basis ("Objection") to the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related Thereto dated June 5, 2009 ("Notice"). NFR objects to the Notice because it fails to provide NFR adequate assurance of

future performance of the NFR Contracts (as defined below) and does not accurately state the Cure Amount¹ due to NFR. In further support of its Objection, NFR respectfully states as follows:

Background

1. On June 1, 2009 (“Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of Title 11 of the United States Code (“Bankruptcy Code”).

2. On June 1, 2009, GM also filed a motion seeking an order approving bidding procedures for the sale of substantially all of the Debtors’ assets, which included a procedure for the Debtors’ assumption and assignment of executory contracts (Docket No. 92) (“Procedures Motion”).

3. On June 2, 2009, the Court granted the Procedures Motion with respect to the sale procedures, including the procedure for assuming and assigning contracts to Vehicle Acquisition Holdings LLC (“VAH”) or the ultimate purchaser of the Debtors’ assets (Docket No. 274) (“Procedures Order”), which provided for sending a notice advising a contract counterparty that it was party to an Assumable Executory Contracts and the proposed Cure Amount related thereto.

The NFR Contracts

4. NFR and Debtor, General Motors Corp. (“GM”), are parties to a Base Contract for Sale and Purchase of Natural Gas dated September 1, 2003, as amended by a Transaction Confirmation for Immediate Delivery Addendum dated October 23, 2008 (together with all written transaction confirmations, the “Tonawanda Contract”). A copy of the Tonawanda Contract is attached as **Exhibit A**.

¹ Capitalized terms not expressly defined herein have the meaning ascribed to them in the Notice.

5. Pursuant to the Tonawanda Contract, NFR sells natural gas to GM and delivers the natural gas to GM at the citygate of the local distribution utility, in this instance, National Fuel Gas Distribution Corporation. The local distribution utility, in turn, transports GM's natural gas to GM's facility in Tonawanda, New York using the local distribution utility's pipeline system.

6. NFR and GM are also parties to a Natural Gas Firm Sales Purchase Order dated October 24, 2008 ("Salina Contract" and together with the Tonawanda Contract, the "NFR Contracts"). A copy of the Salina Contract is attached as **Exhibit B**. Pursuant to the Salina Contract, NFR sells natural gas to GM at the citygate of the local distribution utility, in this instance, National Grid. The local distribution utility, in turn, transports GM's natural gas to GM's facility in Salina, New York using the local distribution utility's pipeline system.

7. Both the Tonawanda Contract and Salina Contract provide in pertinent part that GM shall provide an irrevocable letter of credit in support of all obligations of GM to NFR pursuant to any and all agreements between GM and NFR, including the NFR Contracts. The NFR Contracts provide that the amount of letter of credit shall be \$1,800,000 for the period from November 1, 2008 through May 31, 2009 and reducing to \$250,000 for the remainder of the term of the NFR Contracts. NFR reserved the right to request additional security in the event GM's obligations to NFR change.

8. An irrevocable Letter of Credit by Citibank, N.A. for the benefit of NFR dated October 29, 2008 in the amount required pursuant to the NFR Contracts is currently in place ("Citibank LOC").

Notice

9. On June 8, 2009, NFR received the Notice dated June 5, 2009 provided for in the Procedures Order. Pursuant to the Notice, parties have ten days from the date of the

Notice to object to the assumption and assignment of any Assumable Executory Contract or to the Cure Amount proposed to be paid with respect thereto.²

10. Attached to the Notice is a user identification number and password to be used by NFR on the specified website (“Web Site”) to view which contract(s) has/have been designated an Assumable Executory Contract by the Debtors and the Cure Amount with respect to such contract(s).

11. The Web Site, does not designate which of the NFR Contracts are Assumable Executory Contracts or what the proposed Cure Amount is.

12. NFR asserts it is owed \$18,357.57 in Cure Amount as of the Petition Date and forecasts that the entire amount due pursuant to the NFR Contracts as of June 30, 2009 (assigning a June 30, 2009 assumption date) will total \$43,748.15 (“NFR Claim”). The detail substantiating the NFR Claim is attached as Exhibit C.

13. NFR is also in receipt of a copy of a notice dated June 5, 2009 which was sent to Citibank, N.A. whereby the Debtors propose to assume and assign the Citibank LOC.

Objections

14. NFR objects to the Notice on the following grounds:

A. The NFR Contracts cannot be assumed without concurrent cure of all arrearages. “Section 365(b) of the executory contracts section of the [Bankruptcy] Code requires a debtor to cure pre-petition defaults as a precondition of assuming an executory contract.” In re Stoltz, 315 F.3d 80, 86 (2nd Cir. 2002). There is no cure amount alleged by the Debtors to be owed to NFR pursuant to the NFR Contracts and as such the proposed Cure Amount is understated by \$43,748.15.

² On June 11, 2009, by e-mail, Pablo Falabella, Esq. of Weil, Gotshal & Manges LLP, counsel to the Debtors, granted NFR a five-day extension of its time to object to the Notice in an attempt to reach consensual resolution of NFR’s objections.

B. The Contracts cannot be assumed or assigned without an adequate showing of future performance. 11 U.S.C. § 365(b)(1); In re Luce Industries, Inc., 14 B.R. 529 (S.D.N.Y. 1981) (court erred in allowing debtor to assume agreement without assurance by debtor that arrearages would be paid and that debtor could perform).

C. The NFR Contracts require in pertinent part that a \$250,000 irrevocable letter of credit, acceptable to NFR, be in place for the remainder of the term of the NFR Contracts (“Contract Requirement”). See NFR Contracts.

D. Although the Debtors are attempting to assume and assign the Citibank LOC, as a financial accommodation, the Citibank LOC is not an assumable executory contract. In re Swift Aire Lines, Inc., 30 B.R. 498 (9th Cir. B.A.P. 1983); 11 U.S.C. § 365(c)(2); U.S. Code Cong. & Admin. News 1978, pp. 5787, 6304 (“... under the provision . . . [Section 365(c)(2)] . . . contracts such as loan commitments and letters of credit may not be assumed by the trustee”).

E. In as much as the Debtors and/or VAH have failed to provide for a replacement letter of credit as required by the NFR Contracts, the Debtors have failed to satisfy the Contract Requirement and demonstrate adequate assurance of future performance of the NFR Contracts.

15. NFR reserves its right to amend this Objection to include any additional facts as may be determined by its further investigation of the Notice and NFR Contracts.

16. Any reply to this Objection should be served upon Phillips Lytle LLP, 3400 HSBC Center, Buffalo, New York 14203, Attn: Angela Z. Miller, Esq.

Memorandum of Law

17. Because the legal points and authorities upon which NFR relies for purposes of this Objection are incorporated into the Objection, NFR respectfully requests that the

Exhibit A

Base Naseb Contract

Base Contract for Sale and Purchase of Natural Gas

This Base Contract is entered into as of the following date: September 1, 2003. The parties to this Base Contract are the following:

Seller:
National Fuel Resources, Inc.
 Duns Number: 794898775
 Contract Number: Not applicable
 U.S. Federal Tax ID Number: 16-1408956

and Buyer:
General Motors Corporation
 Duns Number: 055-356-613
 Contract Number: Not Applicable
 U.S. Federal Tax ID Number: 38-0572515

Notices:
165 Lawrence Bell Drive, Suite 120, Williamsville, NY 14221
 Attn: Daniel L. Burkhardt
 Phone: 716-630-6795 Fax: 716-630-6798

31 E. Judson Street, Pontiac, MI 48342
 Attn: Dean E. Putman
 Phone: 248-874-0237 Fax: 248-874-0286

Confirmations:
 Same as notices.
 Attn: _____
 Phone: _____ Fax: _____

31 E. Judson Street, Pontiac, MI 48342
 Attn: Dean E. Putman
 Phone: 248-874-0237 Fax: 248-874-0286

Invoices and Payments:
 Same as notices.
 Attn: Andrea Vasbinder
 Phone: 716-630-6797 Fax: 716-630-6798

GM c/o Entech USB
 Attn: Phil Taylor
P. O. Box 319002, Chicago, IL 60631-9002
 Phone: 773-380-1261 Fax: 773-442-0219

Wire Transfer or ACH Numbers (if applicable):
 BANK: HSBC Bank USA
 ABA: 022000020
 ACCT: 752881230
 Other Details: _____

BANK: Not Applicable.
 ABA: _____
 ACCT: _____
 Other Details: _____

This Base Contract incorporates by reference for all purposes the General Terms and Conditions for Sale and Purchase of Natural Gas published by the North American Energy Standards Board. The parties hereby agree to the following provisions offered in said General Terms and Conditions. In the event the parties fail to check a box, the specified default provision shall apply. Select only one box from each section:

Section 1.2 Transaction Procedure	<input type="checkbox"/> Oral (default) <input checked="" type="checkbox"/> Written	Section 7.2 Payment Date	<input type="checkbox"/> 25 th Day of Month following Month of delivery (default) <input type="checkbox"/> _____ Day of Month following Month of delivery
Section 2.5 Confirm Deadline	<input type="checkbox"/> 2 Business Days after receipt (default) <input type="checkbox"/> _____ Business Days after receipt	Section 7.2 Method of Payment	<input type="checkbox"/> Wire transfer (default) <input type="checkbox"/> Automated Clearinghouse Credit (ACH) <input type="checkbox"/> Check
Section 2.6 Confirming Party	<input type="checkbox"/> Seller (default) <input type="checkbox"/> Buyer <input checked="" type="checkbox"/> Either	Section 7.7 Netting	<input checked="" type="checkbox"/> Netting applies (default) <input type="checkbox"/> Netting does not apply
Section 3.2 Performance Obligation	<input checked="" type="checkbox"/> Cover Standard (default) <input type="checkbox"/> Spot Price Standard	Section 10.3.1 Early Termination Damages	<input checked="" type="checkbox"/> Early Termination Damages Apply (default) <input type="checkbox"/> Early Termination Damages Do Not Apply
Note: The following Spot Price Publication applies to both of the immediately preceding.		Section 10.3.2 Other Agreement Setoffs	<input type="checkbox"/> Other Agreement Setoffs Apply (default) <input checked="" type="checkbox"/> Other Agreement Setoffs Do Not Apply
Section 2.26 Spot Price Publication	<input type="checkbox"/> Gas Daily Midpoint (default) <input checked="" type="checkbox"/> Publication listed in Special Conditions of the applicable Transaction Confirmation	Section 14.5 Choice Of Law	_____
Section 6 Taxes	<input checked="" type="checkbox"/> Buyer Pays At and After Delivery Point (default) <input type="checkbox"/> Seller Pays Before and At Delivery Point	Section 14.10 Confidentiality	<input checked="" type="checkbox"/> Confidentiality applies (default) <input type="checkbox"/> Confidentiality does not apply
<input checked="" type="checkbox"/> Special Provisions Number of sheets attached: Transaction Confirmation - 2; and Special Provisions - 1.			
<input type="checkbox"/> Addendum(s): _____			

IN WITNESS WHEREOF, the parties hereto have executed this Base Contract in duplicate.

Party Name _____
 By: Donna L. DeCarolis
 Name: _____
 Title: Donna L. DeCarolis
Vice President

GENERAL MOTORS CORPORATION
 Party Name _____
 By: John C. Anderson
 Name: John C. Anderson
 Title: Director

General Terms and Conditions

Base Contract for Sale and Purchase of Natural Gas

SECTION 1. PURPOSE AND PROCEDURES

1.1. These General Terms and Conditions are intended to facilitate purchase and sale transactions of Gas on a Firm or Interruptible basis. "Buyer" refers to the party receiving Gas and "Seller" refers to the party delivering Gas. The entire agreement between the parties shall be the Contract as defined in Section 2.7.

The parties have selected either the "Oral Transaction Procedure" or the "Written Transaction Procedure" as indicated on the Base Contract.

Oral Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an EDI transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely thereon. Any such transaction shall be considered a "writing" and to have been "signed". Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means within three Business Days of a transaction covered by this Section 1.2 (Oral Transaction Procedure) provided that the failure to send a Transaction Confirmation shall not invalidate the oral agreement of the parties. Confirming Party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party. If the Transaction Confirmation contains any provisions other than those relating to the commercial terms of the transaction (i.e., price, quantity, performance obligation, delivery point, period of delivery and/or transportation conditions), which modify or supplement the Base Contract or General Terms and Conditions of this Contract (e.g., arbitration or additional representations and warranties), such provisions shall not be deemed to be accepted pursuant to Section 1.3 but must be expressly agreed to by both parties; provided that the foregoing shall not invalidate any transaction agreed to by the parties.

Written Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Should the parties come to an agreement regarding a Gas purchase and sale transaction for a particular Delivery Period, the Confirming Party shall, and the other party may, record that agreement on a Transaction Confirmation and communicate such Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of nonconflicting Transaction Confirmations or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.

1.3. If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2, such receiving party shall notify the sending party via facsimile, EDI or mutually agreeable electronic means by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then neither Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the Transaction Confirmations. In the event of a conflict among the terms of (i) a binding Transaction Confirmation pursuant to Section 1.2, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, where the parties have selected the Oral Transaction Procedure of the Base Contract, (iii) the Base Contract, and (iv) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

1.4. The parties agree that each party may electronically record all telephone conversations with respect to this Contract between their respective employees, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recording. Where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, the parties agree not to contest the validity or enforceability of telephonic recordings entered into in accordance with the requirements of this Base Contract. However, nothing herein shall be construed as a waiver of any objection to the admissibility of such evidence.

SECTION 2. DEFINITIONS

The terms set forth below shall have the meaning ascribed to them below. Other terms are also defined elsewhere in the Contract and shall have the meanings ascribed to them herein.

2.1. "Alternative Damages" shall mean such damages, expressed in dollars or dollars per MMBtu, as the parties shall agree upon in the Transaction Confirmation, in the event either Seller or Buyer fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer.

2.2. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein and any Special Provisions and addendum(s) as identified on page one.

2.3. "British thermal unit" or "Btu" shall mean the International BTU, which is also called the Btu (IT).

- 2.4. "Business Day" shall mean any day except Saturday, Sunday or Federal Reserve Bank holidays.
- 2.5. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received or, if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.6. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 2.7. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract, (ii) any and all binding Transaction Confirmations and (iii) where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation.
- 2.8. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
- 2.9. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as agreed to by the parties in a transaction.
- 2.10. "Cover Standard", as referred to in Section 3.2, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the performing party shall use commercially reasonable efforts to (i) if Buyer is the performing party, obtain Gas, (or an alternate fuel if elected by Buyer and replacement Gas is not available), or (ii) if Seller is the performing party, sell Gas, in either case, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the nonperforming party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the nonperforming party.
- 2.11. "Credit Support Obligation(s)" shall mean any obligation(s) to provide or establish credit support for, or on behalf of, a party to this Contract such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature.
- 2.12. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 2.13. "Delivery Period" shall be the period during which deliveries are to be made as agreed to by the parties in a transaction.
- 2.14. "Delivery Point(s)" shall mean such point(s) as are agreed to by the parties in a transaction.
- 2.15. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 2.16. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm", provided that a party's excuse for nonperformance of its obligations to deliver or receive Gas will be governed by the rules of the relevant futures exchange regulated under the Commodity Exchange Act.
- 2.17. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.
- 2.18. "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.
- 2.19. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.
- 2.20. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.
- 2.21. "MMBtu" shall mean one million British thermal units, which is equivalent to one dekatherm.
- 2.22. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 2.23. "Payment Date" shall mean a date, as indicated on the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.
- 2.24. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.
- 2.25. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.
6. "Spot Price" as referred to in Section 3.2 shall mean the price listed in the publication indicated on the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average

of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.

2.27. "Transaction Confirmation" shall mean a document, similar to the form of Exhibit A, setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period.

2.28. "Termination Option" shall mean the option of either party to terminate a transaction in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer for a designated number of days during a period as specified on the applicable Transaction Confirmation.

2.29. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular transaction.

SECTION 3. PERFORMANCE OBLIGATION

3.1. Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as agreed to by the parties in a transaction.

The parties have selected either the "Cover Standard" or the "Spot Price Standard" as indicated on the Base Contract.

Cover Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s); or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in the amount equal to the positive difference, if any, between the Contract Price and the price received by Seller utilizing the Cover Standard for the resale of such Gas, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually taken by Buyer for such Day(s); or (iii) in the event that Buyer has used commercially reasonable efforts to replace the Gas or Seller has used commercially reasonable efforts to sell the Gas to a third party, and no such replacement or sale is available, then the sole and exclusive remedy of the performing party shall be any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the applicable Delivery Point, multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller and received by Buyer for such Day(s). Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

Spot Price Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the Contract Price from the Spot Price; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the applicable Spot Price from the Contract Price. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

3.3. Notwithstanding Section 3.2, the parties may agree to Alternative Damages in a Transaction Confirmation executed in writing by both parties.

3.4. In addition to Sections 3.2 and 3.3, the parties may provide for a Termination Option in a Transaction Confirmation executed in writing by both parties. The Transaction Confirmation containing the Termination Option will designate the length of nonperformance triggering the Termination Option and the procedures for exercise thereof, how damages for nonperformance will be compensated, and how liquidation costs will be calculated.

SECTION 4. TRANSPORTATION, NOMINATIONS, AND IMBALANCES

4.1. Seller shall have the sole responsibility for transporting the Gas to the Delivery Point(s). Buyer shall have the sole responsibility for transporting the Gas from the Delivery Point(s).

4.2. The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior Notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered and purchased each Day. Should either party become aware that actual deliveries at the Delivery Point(s) are greater or lesser than the Scheduled Gas, such party shall promptly notify the other party.

4.3. The parties shall use commercially reasonable efforts to avoid imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges, the parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's receipt of quantities of Gas greater than or less than the Scheduled Gas, then Buyer shall pay for such Imbalance Charges or reimburse Seller for such Imbalance Charges paid by Seller. If the Imbalance Charges were incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Scheduled Gas, then Seller shall pay for such Imbalance Charges or reimburse Buyer for such Imbalance Charges paid by Buyer.

SECTION 5. QUALITY AND MEASUREMENT

All Gas delivered by Seller shall meet the pressure, quality and heat content requirements of the Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

SECTION 6. TAXES

The parties have selected either "Buyer Pays At and After Delivery Point" or "Seller Pays Before and At Delivery Point" as indicated on the Base Contract.

Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

Seller Pays Before and At Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s) and all Taxes at the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

SECTION 7. BILLING, PAYMENT, AND AUDIT

7.1. Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas. The invoiced quantity will then be adjusted to the actual quantity on the following Month's billing or as soon thereafter as actual delivery information is available.

7.2. Buyer shall remit the amount due under Section 7.1 in the manner specified in the Base Contract, in immediately available funds, on or before the later of the Payment Date or 10 Days after receipt of the invoice by Buyer; provided that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date. In the event any payments are due Buyer hereunder, payment to Buyer shall be made in accordance with this Section 7.2.

7.3. In the event payments become due pursuant to Sections 3.2 or 3.3, the performing party may submit an invoice to the nonperforming party for an accelerated payment setting forth the basis upon which the invoiced amount was calculated. Payment from the nonperforming party will be due five Business Days after receipt of invoice.

7.4. If the invoiced party, in good faith, disputes the amount of any such invoice or any part thereof, such invoiced party will pay such amount as it concedes to be correct; provided, however, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practice to support the amount paid or disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section.

7.5. If the invoiced party fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

7.6. A party shall have the right, at its own expense, upon reasonable Notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract. This right to examine, audit, and to obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two years after the Month of Gas delivery. All retroactive adjustments under Section 7 shall be paid in full by the party owing payment within 30 Days of Notice and substantiation of such inaccuracy.

7.7. Unless the parties have elected on the Base Contract not to make this Section 7.7 applicable to this Contract, the parties shall net all undisputed amounts due and owing, and/or past due, arising under the Contract such that the party owing the greater amount shall make a single payment of the net amount to the other party in accordance with Section 7; provided that no payment required to be made pursuant to the terms of any Credit Support Obligation or pursuant to Section 7.3 shall be subject to netting under this Section. If the parties have executed a separate netting agreement, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 8. TITLE, WARRANTY, AND INDEMNITY

8.1. Unless otherwise specifically agreed, title to the Gas shall pass from Seller to Buyer at the Delivery Point(s). Seller shall have responsibility for and assume any liability with respect to the Gas prior to its delivery to Buyer at the specified Delivery Point(s). Buyer shall have responsibility for and any liability with respect to said Gas after its delivery to Buyer at the Delivery Point(s).

8.2. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims. EXCEPT AS PROVIDED IN THIS SECTION 8.2 AND IN SECTION 14.8, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE DISCLAIMED.

8.3. Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court ("Claims"), from any and all persons, arising from or out of claims of title, personal injury or property damage from said Gas or other charges thereon which attach before title passes to Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

8.4. Notwithstanding the other provisions of this Section 8, as between Seller and Buyer, Seller will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Seller to meet the quality requirements of Section 5.

SECTION 9. NOTICES

9.1. All Transaction Confirmations, invoices, payments and other communications made pursuant to the Base Contract ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

9.2. All Notices required hereunder may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

9.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered five Business Days after mailing.

SECTION 10. FINANCIAL RESPONSIBILITY

10.1. If either party ("X") has reasonable grounds for insecurity regarding the performance of any obligation under this Contract (whether or not then due) by the other party ("Y") (including, without limitation, the occurrence of a material change in the creditworthiness of Y), X may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount and for the term reasonably acceptable to X, including, but not limited to, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or a performance bond or guaranty (including the issuer of any such security).

10.2. In the event (each an "Event of Default") either party (the "Defaulting Party") or its guarantor shall: (i) make an assignment or any general arrangement for the benefit of creditors; (ii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iii) otherwise become bankrupt or insolvent (however evidenced); (iv) be unable to pay its debts as they fall due; (v) have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; (vi) fail to perform any obligation to the other party with respect to any Credit Support Obligations relating to the Contract; (vii) fail to give Adequate Assurance of Performance under Section 10.1 within 48 hours but at least one Business Day of a written request by the other party; or (viii) not have paid any amount due the other party hereunder on or before the second Business Day following written Notice that such payment is due; then the other party (the "Non-Defaulting Party") shall have the right, at its sole election, to immediately withhold and/or suspend deliveries or payments upon Notice and/or to terminate and liquidate the transactions under the Contract, in the manner provided in Section 10.3, in addition to any and all other remedies available hereunder.

10.3. If an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right, by Notice to the Defaulting Party, to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as an early termination date (the "Early Termination Date") for the liquidation and termination pursuant to Section 10.3.1 of all transactions under the Contract, each a "Terminated Transaction". On the Early Termination Date, all transactions will terminate, other than those transactions, if any, that may not be liquidated and terminated under applicable law or that are, in the reasonable opinion of the Non-Defaulting Party, commercially impracticable to liquidate and terminate ("Excluded Transactions"), which Excluded Transactions must be liquidated and terminated as soon thereafter as is reasonably practicable, and upon termination shall be a Terminated Transaction and be valued consistent with Section 10.3.1 below. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of Section 10.3.1.

The parties have selected either "Early Termination Damages Apply" or "Early Termination Damages Do Not Apply" as indicated on the Base Contract.

Early Termination Damages Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (i) the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract and (ii) the Market Value, as defined below, of each Terminated Transaction. The Non-Defaulting Party shall (x) liquidate and accelerate each Terminated Transaction at its Market Value, so that each amount equal to the difference between such Market Value and the Contract Value, as defined below, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Contract Value and to the Seller if the opposite is the case; and (y) where appropriate, discount each amount then due under clause (x) above to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions).

For purposes of this Section 10.3.1, "Contract Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Contract Price, and "Market Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. A party shall not be required to enter into a replacement transaction(s) in order to determine the Market Value. Any extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Contract Values and Market Values. For the avoidance of doubt, any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Contract Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

Early Termination Damages Do Not Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract.

The parties have selected either "Other Agreement Setoffs Apply" or "Other Agreement Setoffs Do Not Apply" as indicated on the Base Contract.

Other Agreement Setoffs Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff (i) any Net Settlement Amount owed to the Non-Defaulting Party against any margin or other collateral held by it in connection with any Credit Support Obligation relating to the Contract; or (ii) any Net Settlement Amount payable to the Defaulting Party against any amount(s) payable by the Defaulting Party to the Non-Defaulting Party under any other agreement or arrangement between the parties.

Other Agreement Setoffs Do Not Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff any Net Settlement Amount owed to the Non-Defaulting Party against any margin or other collateral held by it in connection with any Credit Support Obligation relating to the Contract.

10.3.3. If any obligation that is to be included in any netting, aggregation or setoff pursuant to Section 10.3.2 is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and net, aggregate or setoff, as applicable, in respect of the estimate, subject to the Non-Defaulting Party accounting to the Defaulting Party when the obligation is ascertained. Any amount not then due which is included in any netting, aggregation or setoff pursuant to Section 10.3.2 shall be discounted to net present value in a commercially reasonable manner determined by the Non-Defaulting Party.

10.4. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the Net Settlement Amount, and whether the Net Settlement Amount is due to or due from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount, provided that failure to give such Notice shall not affect the validity or enforceability of the liquidation or give rise to any claim by the Defaulting Party against the Non-Defaulting Party. The Net Settlement Amount shall be paid by the close of business on the second Business Day following such Notice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the Net Settlement Amount shall accrue from the date due until the

date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

10.5. The parties agree that the transactions hereunder constitute a "forward contract" within the meaning of the United States Bankruptcy Code and that Buyer and Seller are each "forward contract merchants" within the meaning of the United States Bankruptcy Code.

10.6. The Non-Defaulting Party's remedies under this Section 10 are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date. Each party reserves to itself all other rights, setoffs, counterclaims and other defenses that it is or may be entitled to arising from the Contract.

10.7. With respect to this Section 10, if the parties have executed a separate netting agreement with close-out netting provisions, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment(s) due under Section 7, Section 10.4, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

11.2. Force Majeure shall include, but not be limited to, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of Firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, regulation, or policy having the effect of law promulgated by a governmental authority having jurisdiction. Seller and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

11.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship, to include, without limitation, Seller's ability to sell Gas at a higher or more advantageous price than the Contract Price, Buyer's ability to purchase Gas at a lower or more advantageous price than the Contract Price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Agreement; (iv) the loss of buyer's market(s) or Buyer's inability to use or resell Gas purchased hereunder, except, in either case, as provided in Section 11.2; or (v) the loss or failure of Seller's gas supply or depletion of reserves, except, in either case, as provided in Section 11.2. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

11.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the party experiencing such disturbance.

11.5. The party whose performance is prevented by Force Majeure must provide Notice to the other party. Initial Notice may be given orally; however, written Notice with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written Notice of Force Majeure to the other party, the affected party will be relieved of its obligation, from the onset of the Force Majeure event, to make or accept delivery of Gas, as applicable, to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

11.6. Notwithstanding Sections 11.2 and 11.3, the parties may agree to alternative Force Majeure provisions in a Transaction Confirmation executed in writing by both parties.

SECTION 12. TERM

This Contract may be terminated on 30 Day's written Notice, but shall remain in effect until the expiration of the latest Delivery Period of any transaction(s). The rights of either party pursuant to Section 7.6 and Section 10, the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the Base Contract or any transaction.

SECTION 13. LIMITATIONS

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

SECTION 14. MISCELLANEOUS

14.1. This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party (and shall not relieve the assigning party from liability hereunder), which consent will not be unreasonably withheld or delayed; provided, either party may (i) transfer, sell, pledge, encumber, or assign this Contract or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements, or (ii) transfer its interest to any parent or affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any such assignment, transfer and assumption, the transferor shall remain principally liable for and shall not be relieved of or discharged from any obligations hereunder.

14.2. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

14.3. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach.

14.4. This Contract sets forth all understandings between the parties respecting each transaction subject hereto, and any prior contracts, understandings and representations, whether oral or written, relating to such transactions are merged into and superseded by this Contract and any effective transaction(s). This Contract may be amended only by a writing executed by both parties.

14.5. The interpretation and performance of this Contract shall be governed by the laws of the jurisdiction as indicated on the Base Contract, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

14.6. This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or transaction or any provisions thereof.

14.7. There is no third party beneficiary to this Contract.

14.8. Each party to this Contract represents and warrants that it has full and complete authority to enter into and perform this Contract. Each person who executes this Contract on behalf of either party represents and warrants that it has full and complete authority to do so and that such party will be bound thereby.

14.9. The headings and subheadings contained in this Contract are used solely for convenience and do not constitute a part of this contract between the parties and shall not be used to construe or interpret the provisions of this Contract.

14.10. Unless the parties have elected on the Base Contract not to make this Section 14.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, or (iv) to the extent such information is delivered to such third party for the sole purpose of calculating a published index. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

In the event that disclosure is required by a governmental body or applicable law, the party subject to such requirement may disclose the material terms of this Contract to the extent so required, but shall promptly notify the other party, prior to disclosure, and shall cooperate (consistent with the disclosing party's legal obligations) with the other party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the other party.

14.11 The parties may agree to dispute resolution procedures in Special Provisions attached to the Base Contract or in a Transaction Confirmation executed in writing by both parties.

DISCLAIMER: The purposes of this Contract are to facilitate trade, avoid misunderstandings and make more definite the terms of contracts of purchase and sale of natural gas. Further, NAESB does not mandate the use of this Contract by any party. **NAESB DISCLAIMS AND EXCLUDES, AND ANY USER OF THIS CONTRACT ACKNOWLEDGES AND AGREES TO NAESB'S DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CONTRACT OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER OR NOT NAESB KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. EACH USER OF THIS CONTRACT ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CONTRACT.**

DELIVERY POINT(s):

National Fuel Gas Distribution Corp citygate.

(If a pooling point is used, list a specific geographic and pipeline location):

SPECIAL CONDITIONS:

1. For scheduling and nominations contract General Motors Natural Gas Control Analysts at:
Phone: 586-986-4075; Fax: 586-986-4499
2. **Incremental Gas Use** . If Buyer consumes in excess of the CONTRACT PURCHASE QUANTITY in any month then, Buyer agrees to pay the Market Price – Incremental Use (as defined herein), per Decatherm, for such incremental gas volumes. The Market Price – Incremental Use shall equal 105% of the sum of: the average of the daily Niagara midpoint prices during the month, as published in the Gas Daily; and National Fuel Gas Supply Corporation's published EFT service rates and charges (incl. fuel and loss retention) for delivery from Niagara to the Delivery Point.
3. **Unused Gas**. If Buyer consumes less than the CONTRACT PURCHASE QUANTITY in any month then, if the Market Price – Under Use (as defined herein) is higher than the Price, Seller shall credit to Buyer the difference in price, per Decatherm, for such unused volumes. Similarly, if the Market Price – Under Use is lower than the Price, Buyer agrees to pay Seller the difference in price, per Decatherm, for such unused volumes. The Market Price – Under Use shall be defined as 95% of the sum of: the average of the daily Niagara midpoint prices during the month, as published in the Gas Daily; and National Fuel Gas Supply Corporation's published FT-1 service rates and charges (incl. fuel and loss retention) for delivery from Niagara to the Delivery Point.
4. Balancing by Supplier.
Supplier Balanced - Supplier to monitor and balance account (i.e. read meters, interface with plant personnel and GM Gas Control, check bulletin boards, change nominations, provide/manage banks/storage and OBAs, capacity release and adjustments due to OFOs, with support of GM Gas Control). GM Gas Control support includes but is not limited to communication of situations that may require action. Supplier will be responsible for penalties resulting from Supplier action or inaction including cash out penalties and differential cost between contract price and tariff rate or alternate fuel rate where these purchases are required to keep plant from shutting down.
5. Service Location and LDC: GM Powertrain Tonawanda, National Fuel Distribution Corp. Account No:
3759585, 5783415
6. The following sentences will be inserted at the beginning of Section 4.1:
"Seller shall sell the volumes of natural gas to Buyer through the Distribution's system on a firm basis. Seller shall be Buyer's sole gas supplier during the term of any active Transaction Confirmations. Buyer shall be an "STBA/MMT Customer" under the terms and conditions set forth in Distribution's Service Classification SC-19."
The following sentences will be inserted at the end of Section 4.1:
"Seller shall deliver the gas to Distribution's city gate (the "Delivery Point") (the associated transportation charge is included in the purchase price). Under Distribution's tariff, Distribution shall deliver gas to Buyer and Buyer shall be responsible for any and all costs to deliver the Gas from the city gate to Buyer's meter".
7. The following language shall be inserted as Section 7.8:
"Notwithstanding any of the above, the following apply to Section 7: Given that service hereunder relies upon meter readings provided by Distribution, and such meter readings are subject to adjustment from time-to-time, Buyer and Seller will be entitled to notify and pay for or credit the other party's account for any substantial overage or underage charges discovered within one (1) year after the original billing date if the corrected billing is made within two (2) months of the discovery. Seller has the right, at any time, even after the termination of this Agreement, to bill and be paid for utility adjustments for service under this Agreement. Seller is also entitled to bill and be paid for any substantiated undercharges discovered within one (1) year after the original billing date if the corrected billing is made within two (2) months of the discovery."

8. Amendment to Section 10 of Base Contract: Financial Responsibility Section 10.1 is amended by adding the following at the end of the Section: "For purposes of this Section 10, without limiting the circumstances in which X may be deemed to have "reasonable grounds for insecurity," X shall be deemed to have reasonable grounds for insecurity if: (i) Supplier's Credit Insurance Carrier terminates coverage for Buyer; or (ii) there has been a decrease in the rating of the unsecured, senior long-term public debt of Buyer or Seller below BB- or Ba3 by S&P or Moody's, respectively.
9. The language in Section 14.5 shall be removed and replaced with the following:
"This Agreement shall be construed in accordance with and its provisions governed by the laws of the State of New York. This Agreement shall be deemed to have been executed in Erie County, New York and any litigation which may arise under this Agreement shall be commenced in a court of proper jurisdiction sitting in Erie County, New York."
10. Buyer shall provide a Letter of Credit to Seller for any and all agreements by and between Buyer and Seller, including, but not limited to, this Transaction Confirmation. Such Letter of Credit shall be effective for the entire term of this Transaction Confirmation. The amount of the Letter of Credit shall be USD \$1,800,000 (One Million Eight Hundred Thousand Dollars) beginning November 1, 2008 and ending May 31, 2009 and then in the amount of USD \$250,000 (Two Hundred Fifty Thousand Dollars) beginning June 1, 2009 and ending October 31, 2009. If Buyer's natural gas usage significantly increases versus the previous historical usage or the natural gas market prices significantly increase, Seller reserves the right to require security in addition to such Letter of Credit during the term of this Transaction Confirmation.

PLEASE SIGN AND RETURN THIS CONFIRMATION TRANSACTION LETTER BY FACSIMILE AND SEND ORIGINAL
VIA OVERNIGHT MAIL SERVICE TO GENERAL MOTORS

Seller: National Fuel Resources, Inc.	Buyer: <u>General Motors Corporation</u>
By: _____	By: <u>Mike Demsky</u> <i>Michael J. Demsky</i>
Title: _____	Title: <u>Manager, Energy Supply and Services Group</u>
Date: _____	Date: <u>10-23-08</u>

Exhibit B



**NATIONAL FUEL RESOURCES, INC.
NATURAL GAS FIRM SALES PURCHASE ORDER
National Grid - CITYGATE**

SELLER: National Fuel Resources, Inc.		BUYER: General Motors Corporation	
PAYMENTS & INQUIRIES TO: Attn: Accounts Receivable P.O. Box 9072 Williamsville, NY 14231 Phone: (716) 630-6786 Fax: (716) 630-6744		INVOICES & INQUIRIES TO: Attn: Mr. Paul Mackey Salina Industrial Park ADM03 Syracuse, New York 13206 Phone: (315) 487-9372 Fax: (315) 487-2064	
SERVICE LOCATION(S) & ACCOUNT NUMBER(S):		[Salina Industrial Park ADM03, Acct# 26751-96113]	
QUANTITY:		Buyer's full natural gas requirements for the Service Location(s).	
TERM:		1 year beginning on the first eligible meter reading date after November 1, 2008 . Prior to the end of your contract term, you will receive new program terms and conditions.	
TRANSPORTATION AGENCY ELECTION:		By signing below, Buyer elects and hereby authorizes Seller to act as Buyer's agent for nominations and transportation under this Contract.	
PRICE:		Monthly NYMEX (last three day average settlement price) plus \$1.69 per Dth delivered to the Citygate (includes: (a) cost of gas; and (b) cost of delivery to Your Utility.) Your Utility transportation charges will be separately billed by National Grid. This price is subject to all applicable taxes and any utility imposed balancing charges.	
SECURITY:		Buyer shall provide a Letter of Credit to Seller for any and all agreements by and between Buyer and Seller, including, but not limited to, this Purchase Order. Such Letter of Credit shall be effective for the entire term of this Purchase Order. The amount of the Letter of Credit shall be USD \$1,800,000 (One Million Eight Hundred Thousand Dollars) beginning November 1, 2008 and ending May 31, 2009 and then in the amount of USD \$250,000 (Two Hundred Fifty Thousand Dollars) beginning June 1, 2009 and ending October 31, 2009. Seller reserves the right to require security in addition to such Letter of Credit during the term of this Purchase Order.	

THE TERMS AND CONDITIONS ON THE FOLLOWING PAGE ARE A PART OF THIS CONTRACT
This Agreement may be executed by facsimile.

SELLER: National Fuel Resources, Inc		BUYER: General Motors Corporation	
Signature: _____	Signature: <u>Paul B. Mackey</u>	Name: <u>Paul B. Mackey</u>	Name: _____
Title: <u>Vice President</u>	Title: <u>Site Project Manager</u>	Date: <u>OCTOBER 24, 2008</u>	Date: _____

Terms and Conditions associated with NFR/Buyer's GAS PURCHASE ORDER for gas deliveries on National Grid.

Firm Sales: Sales under this Contract shall be made on a "firm" basis. National Grid ("Utility") will still be responsible for your meter and all meter readings. Service hereunder is subject to applicable Utility tariff provisions and policies. If NFR fails to deliver the stated quantity of gas for reasons other than force majeure, as defined below, Buyer shall be entitled to damages equal to any incremental costs Buyer incurs for its gas supplies. Except as provided herein neither party shall be liable to the other for incidental, consequential or punitive damages or lost profits
 If I smell gas or have any safety-related questions, however, I will still call National Grid at 1-800-892-2345.

1. Quantity: NFR will provide and Buyer will purchase from NFR Buyer's full natural gas requirements for the enrolled service location(s). NFR will rely on Buyer's consumption information (shown on AU 1).

2. Transportation and Agency: Buyer hereby elects NFR as agent to arrange transportation of gas to Buyer on the interstate and/or intrastate pipelines and Utility pipeline system (collectively the "Transporting Pipelines") and authorizes NFR to receive all of Buyer's account(s) information, including service applications, historical consumption and payment information from the Utility. Title, and control of the gas shall pass from NFR to Buyer at the delivery point to the Utility.

3. Billing and Payment: Upon receipt of meter readings (and estimated readings) from the Utility, NFR will bill Buyer for gas delivered. The price does not include the Utility charges for delivering the gas from the interstate and/or intrastate pipeline to Buyer. The Utility will separately bill for their delivery charges and any applicable taxes. Buyer agrees to pay NFR's bill within fifteen (15) days after the invoice date. If Buyer's payment is late Buyer agrees to pay: interest at one and one-half percent per month from the date the payment is due; and a late payment fee of twenty (\$20) dollars for each billing period Buyer fails to make payment by the payment due date; and all reasonable attorney fees, court costs, or other expenses which NFR incurs in collecting overdue payments. A fee of thirty-five (\$35) dollars will be charged for any returned checks. If Buyer defaults on any of Buyer's obligations under this Contract, NFR may, in addition to other legal remedies, suspend deliveries or terminate this Contract. NFR will provide notification at least fifteen (15) days before discontinuation of supply service to allow Buyer the opportunity to pay the overdue bill or request service from another provider. If Buyer files for protection under Bankruptcy or similar laws, or if NFR learns of circumstances which NFR believes may render Buyer unable to make payment when due (which can include but shall not be limited to any credit insurance cancellation, any public expectation that Buyer (or Buyer's parent) may not be able to meet ongoing obligations, or any other public financial information associated with Buyer (or Buyer's parent) insecurity, etc.), NFR may demand a security deposit to secure payment for future service. Buyer will be entitled to a refund of any substantiated overcharges discovered within one (1) year after the billing date, if Buyer makes a claim within two (2) months of discovery. NFR has the right, at any time, even after the termination or expiration of this Contract, to bill and be paid for any Utility adjustments for service under this Contract. Should Buyer assign this Contract to any other Party then such other Party shall have assumed the Contract and agreed to be responsible for any outstanding unpaid charges under this Contract. NFR also is entitled to bill and be paid for any substantiated undercharges discovered within one (1) year after the original billing date if the corrected billing is made within two (2) months of the discovery. Should the Contract be terminated by either party, transfer to the Utility or service from another supplier will occur per Utility tariff and may take up to 45 days after notice, and until such transfer Buyer shall pay NFR for its gas supplies.

4. Fixed Prices: NFR and Buyer may agree to convert the pricing above to a fixed price for the remaining term of this contract, or for monthly increments, a portion or all of Buyer's volumes on Exhibit 1 to the Contract. NFR will trigger a fixed price only if the Parties agree on a fixed price and Buyer notifies NFR at least five business days prior to the beginning of the month of its intention to trigger the agreed on fixed price. Buyer's notice will be communicated by phone to Buyer's NFR sales representative or to NFR's risk management department at (716) 630-6736. An oral agreement to trigger will be binding. Such agreement shall be confirmed through; 1). NFR's receipt of a returned signed fax confirmation from Buyer; 2). NFR's receipt of a returned confirming e-mail from Buyer; or 3). a tape recording of the agreement, to be confirmed later by fax or e-mail from Seller. Buyer agrees to the possible tape recording of agreements and that any such tape recording shall be binding as to quantity and prices of such triggered volumes. Triggered volumes are the first volumes delivered to Buyer during the month. To provide Buyer with a Fixed Price, NFR will take positions in the futures market. Accordingly, NFR reserves the right to charge and Buyer agrees to pay any damages suffered by NFR as a result of Buyer terminating the Agreement before the end of the Term or otherwise failing to consume the fixed price gas. If no fixed price agreement is made for a particular month, or if a fixed price is not agreed to for all volumes in a month, the pricing provision(s) otherwise applicable will be used for such untriggered volumes. There shall be no tolerance on partial month triggered volumes. Force Majeure shall not affect Buyer's responsibility for losses related to fixed price triggered volumes described above.

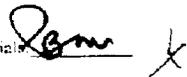
5. Damages: Buyer recognizes that NFR will expend money to establish Buyer's account and that NFR anticipates certain revenues from serving Buyer under this Contract. Therefore, if Buyer breaches this Contract in any way, including, but not limited to by taking service from another Supplier before the end of any term of this Contract or by failing to take gas service from Seller during the Term, Buyer agrees to pay Seller for any and all damages which Seller incurs as a result of said breach. Seller's damages would include, but not be limited to, hedging costs and any basis differential for the remaining term of the Contract. In addition, if Buyer moves its business during the Term, Seller shall sell gas to Buyer at its new location under the same terms of this Contract, except that any fixed price shall be only for the amount originally agreed upon, and further, if there is a significant volume revision, Seller shall have the right to a market adjusted basis for such revised volumes.

6. Taxes: Unless Buyer's price indicates otherwise, the price does not include New York State import fees, Gross Receipts taxes, or any other federal, state, Indian or local taxes, including but not limited to sales, use or consumption taxes any of which now apply or are later enacted. If NFR is required to collect and pay such taxes on Buyer's behalf Buyer agrees to reimburse NFR the full amount of such taxes. If Buyer claims exemption from any such taxes, Buyer must provide NFR a proper exemption certificate. NFR reserves the right to amend Buyer's price if additional taxes or fees are imposed or otherwise become applicable.

7. Force Majeure: If either party is unable to perform its obligations under this Contract due to force majeure, performance of such obligations shall be suspended until the force majeure is corrected. The party claiming the inability shall give written notice to the other party as soon as practicable after occurrence of the force majeure. Force majeure means acts of God, strikes, lightning, fires, floods, explosions, storms or storm warnings, breakage or failure of pipelines or machinery associated with pipelines, freezing of wells or pipelines; laws, rules, regulations or orders of any government, agency, political subdivision or instrumentality thereof having jurisdiction; injunction or judicial restraints; failure of gas supply; failure or curtailment of firm transportation, and any other non-financial cause of a similar nature not within the control of the party claiming force majeure. Force Majeure shall not excuse Buyer from damages related to fixed price positions.

8. Entire Buyer, Law and Dispute Resolution: These Terms and Conditions and the Purchase Order and AFL 1 represent the complete Contract between the parties and can only be amended in writing signed by both parties. However, NFR may modify any terms that do not affect Buyer's price (except as solely provided herein), payment terms or the length of this Contract at any time by notifying Buyer of the change. In addition, NFR may modify this Contract during the initial term if changes to the tariffs, rules, regulations, or laws adversely affect NFR's ability to economically operate the program. Should Buyer's utility class change, Buyer shall pay any costs (i.e. capacity costs) associated with such change. If any change affects Buyer's price, payment terms or the term of the Contract NFR will give Buyer written notice at least thirty (30) days before the change is effective. This Contract shall be governed by and construed in accordance with laws of the State of New York. The services provided by the Utility will continue to be protected by the State Commission's Nonresidential Rules. Should Buyer have any questions or require additional information regarding this Contract, Buyer can contact NFR at (716) 630-6786. Buyer may also request information from the New York State Public Service Commission at 1-800-342-3377 (Toll Free) or New York State Public Service Commission, Consumer Services Division, 3 Empire State Plaza, Albany, NY 12223. This Contract shall be construed in accordance with, and its provisions governed by, the laws of the State of New York. This Contract will be deemed to have been executed in Erie County, New York and any litigation which may arise under this Contract shall be commenced in a court of proper jurisdiction sitting in Erie County, New York.

Buyer's Initials



General Motors Corporation

ATTACHMENT 1

Historic
Burnertip Volumes (Therms)

NFR # Account # Service Location(s)

26751-96113

26751-96113	Salina Industrial Park ADM03	Jan	91,490
		Feb	98,944
		Mar	77,016
		Apr	31,260
		May	8,570
		Jun	0
		Jul	0
		Aug	0
		Sep	0
		Oct	0
		Nov	74,700
		Dec	100,690
		Total	482,670

PAUL B. MALKEY
Name (Please Print)

Paul B. Malkey
Signature

10/24/08
Date

For Energy Suppliers
[Login](#) [>Energy Supplier Menu](#)

[Gas Retail Access](#)

[Electric Retail Access](#)

Energy Use History

You requested to view this data online, but you also have an option to download this data to a spreadsheet, located at the bottom of this window.

GENERAL MOTORS CORPORATION
 1000 TOWN LINE RD
 EAST SYRACUSE, NY 13057
 Account Number: 2675196113

Gas History: SC5MO—Large Volume Gas Transportation - Monthly Balancing (SC5) (Tax District=3128) 24 Records.

End Date	Bill Code	Day Use	Billed Therms	Bill Detail Amt
10/1/2008	R	030	0	353.85
9/1/2008	R	031	0	353.85
8/1/2008	R	031	0	353.85
7/1/2008	R	030	0	353.48
6/1/2008	R	031	8571	797.88
5/1/2008	S	030	31260	1987.1
4/1/2008	R	031	96273	5394.7
3/1/2008	R	029	123861	6840.69
2/1/2008	R	031	91485	5143.73
1/1/2008	R	031	100688	5626.1
12/1/2007	R	030	74698	4267.67
11/1/2007	R	031	26199	1723.17
10/1/2007	R	030	21038	1452.4
9/1/2007	R	031	19256	1358.91
8/1/2007	R	031	16023	1189.29
7/1/2007	R	030	30953	1972.59
6/1/2007	R	031	30284	1937.49
5/1/2007	R	030	45688	2745.66
4/1/2007	R	031	113000	6277.19
3/1/2007	R	028	140430	7716.3
2/1/2007	R	031	98056	5493.15
1/1/2007	R	031	96858	5430.29
12/1/2006	R	030	68281	3933.94
11/1/2006	R	031	49353	2940.06

News

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SupplierSelect

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- > [Customer Drop](#)
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Retail Access

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- > [Customer Drop](#)
- > [Account Verification Report](#)
- > [NYISO True-up Consumption Data](#)
- > [UFE Statistics](#)

Download Data:

Preferred data format: Microsoft Excel Lotus 1-2-3

Submit

Customer Name: General Motors Corp
Account # 26751-96113

NIMO Capacity Release Calculation

Month	Usage	HDD	# days
Jan	9,149.0	1115	
Feb	12,386.0	1119	
Mar	9,627.0	990	
Apr	3,126.0	404	
May	857.0	301	
Jun	3,095.0	23	
Jul	1,602.0	2	
Aug	1,926.0	24	
Sep	2,104.0	93	
Oct	2,620.0	265	
Nov	7,470.0	820	
Dec	10,069.0	1137	
Totals	64,031.0	6293	

Current NIMO HDD		Annual Calculations	
31	Baseload	3528.000	Sum of 2 lowest months (Jun -Sep)
31	Daily Baseload	57.836	Baseload/ #of days in 2 lowest months
28	Annual Baseload	21110.164	Daily Baseload *365 days
31	Total Load	64031	Total Annual Load
30	Thermal load	42920.836	Total Load- Annual Baseload
31	Thermal Response ****	6.820	Total Thermal Load / Total Annual HDD
30	MPDQ	569.367	Thermal Response * 75HDD + Daily Baseload
31	MPDQ grossed up for fuel	579.388	
31	DTI FT	256.2150	MPDQ*45%
31	GSS Storage Demand	313.1517	Difference between MPDQ and DTI FT
30			
31			

**** If Thermal Response is negative please use calculation below.

Month	Usage	HDD	# days
Jan	9,149.0	1115	
Feb	12,386.0	1119	
Mar	9,627.0	990	
Apr	3,126.0	404	
May	857.0	301	
Jun	3,095.0	23	
Jul	1,602.0	2	
Aug	1,926.0	24	
Sep	2,104.0	93	
Oct	2,620.0	265	
Nov	7,470.0	820	
Dec	10,069.0	1137	
Totals	64031	6293	

Current NIMO HDD		Summer Calculations (April thru October)	
31	Daily Baseload	38.758	MPDQ*75%
31	Thermal Response	0.000	= ZERO
28	MPDQ	51.677419	= Peak usage from Ap thru Oct / 31 days
31	DTI FT	38.7581	MPDQ*75%
30	GSS Storage Demand	0.000	= ZERO
31			

Current NIMO HDD		Winter Calculations (Nov thru March)	
30	Daily Baseload	232.9113	MPDQ*75%
31	Thermal Response	0.000	= ZERO
30	MPDQ	310.548387	= Peak usage from Ap thru Oct / 31 days
31	DTI FT	232.9113	MPDQ*75%
30	GSS Storage Demand	0.000	= ZERO
31			

Exhibit C



National Fuel Resources, Inc.

Billing Date: 06/09/09
Account Number: 3759585
Invoice Number: 3669435

165 Lawrence Bell Dr. Suite 120 • P.O. Box 9072 • Williamsville, New York 14231 • (716) 630-6778 or (800) 839-9993 • (716) 630-6798 Fax
Service Address: TONAWANDA ENGINE PLANT
Thank you for choosing National Fuel Resources for all your energy needs. Visit our web page at www.nfrinc.com

|||||
GENERAL MOTORS CORP
FTAO Lesley Horne
C/O ENTECH UTILITY SVC BUREAU
PO BOX 319002
CHICAGO, IL 60631-9002

Revised
PRE-PETITION DEBT
FOR INFORMATIONAL PURPOSES ONLY
NOT A BILL FOR COLLECTION

ACCOUNT SUMMARY

Previous Balance	\$69,895.25
Payment 05/27/09	\$69,895.25
Balance Forward	\$0.00

CURRENT CHARGES

Natural Gas - May 2009 - 3759585 (5,073.2 at \$3.8844)	\$19,706.34
Natural Gas - May 2009 - 3759585 (9,792.8 at \$-0.1871)	\$-1,832.23
Natural Gas - May 2009 - 5783415 (87.9 at \$3.8844)	\$341.44
Natural Gas - May 2009 - 5783415 (1,815.1 at \$-0.1871)	\$-339.61

Total Current Charges due National Fuel Resources, Inc. **\$17,875.94**

Please detach and enclose this portion with your payment.

ACCOUNT NUMBER: 3759585
INVOICE NUMBER: 3669435

MUST BE RECEIVED BY: 06/24/09
Overdue balances subject
to 1.5% late fee

AMOUNT DUE:
\$17,875.94

National Fuel Resources, Inc.
PO Box 9072
Williamsville, NY 14231

GENERAL MOTORS CORP
FTAO Lesley Horne
C/O ENTECH UTILITY SVC BUREAU
PO BOX 319002
CHICAGO, IL 60631-9002

4000003669435 8000003759585 9000001787594



National Fuel Resources, Inc.

Billing Date: 06/05/09
Customer No.: 16007
Invoice No.: 3668491

165 Lawrence Bell Dr., Suite 120 • P.O. Box 9072 • Williamsville, New York 14231 • (716) 630-6778 or (800) 839-9993 • (716) 630-6798 Fax
Thank you for choosing National Fuel Resources for all your energy needs. Visit our web page at www.nfrinc.com



GENERAL MOTORS CORP.
ATTN. MR. PAUL MACKEY
C/O PYRAMID BROKERAGE CO INC
PO BOX 3
SYRACUSE, NY 13214-0003

Revised

PRE-PETITION DEBT

FOR INFORMATIONAL PURPOSES ONLY NOT A BILL FOR COLLECTION

Important Phone Numbers:

Always report any safety problems, such as noticeable gas odor or a suspected gas leak, immediately.

National Grid 24 Hour Emergency Line: 1-800-892-2345

NFR Billing Questions: 716-630-6799

Previous balance on 05/05/09	\$ 70,587.80
Payment on 05/08/09	\$ -53,379.62
Payment on 05/15/09	\$ -17,208.18
2675196113: 1000 TOWN LINE RD, E SYRACUSE	
Consumption for Meter: 16007	
Commodity Charges	
Natural Gas: Total quantity of 89.5 DTHs at \$4.98 per DTH	\$ 445.95
Meter Read Dates (05/01/09 to 06/01/09)	
Sales Tax	\$ 35.88
Total for Account No.: 2675196113	481.63

Total Current Charges: \$ 481.63

Please detach and enclose this portion with your payment.

ACCOUNT NUMBER: 16007
INVOICE NUMBER: 3668491

MUST BE RECEIVED BY: 06/20/09

AMOUNT DUE:
\$481.63

National Fuel Resources, Inc.
PO Box 9072
Williamsville, NY 14231

GENERAL MOTORS CORP.
ATTN. MR. PAUL MACKEY
C/O PYRAMID BROKERAGE CO INC
PO BOX 3
SYRACUSE, NY 13214-0003

3000003668491 6000000016007 8000000048163



National Fuel Resources, Inc.

A National Fuel Gas System Company

National Fuel Resources
165 Lawrence Bell Drive
Suite 120
Williamsville, NY 14221 Phone: 800-839-9993

Invoice No. PRO063009

Customer

Name General Motors Corp
Address C/O Entech Utility Service Bureau
City PO Box 319002 Chicago IL ZIP 60631-9002
Attn: FTAO Lesley Horne

Date 6/10/2009
Due Date 6/25/2009
Rep DLB

Qty	Description	Unit Price	TOTAL
6354	Contracted Deliveries 6/1/2009 to 6/30/2009	\$3.9960	\$25,390.58

Payment Details

- Wire
 Check

SubTotal	\$25,390.58
Shipping & Handling	
Taxes State	
TOTAL	\$25,390.58

Thank You

Please note - The above estimate is based on market sensitive pricing. If market price or anticipated usage increase, additional prepay invoice will follow.



National Fuel Resources, Inc.

A National Fuel Gas System Company

National Fuel Resources
165 Lawrence Bell Drive
Suite 120
Williamsville, NY 14221 Phone: 800-839-9993

Invoice No. PRO061209

Customer

Name General Motors Corp
Address C/O Entech Utility Service Bureau
City PO Box 319002 Chicago IL ZIP 60631-9002
Attn: FTAO Lesley Horne

Date 6/10/2009
Due Date 6/25/2009
Rep DLB

Qty	Description	Unit Price	TOTAL
2541.6	Contracted Deliveries 6/1/2009 to 6/12/2009	\$3.9960	\$10,156.23

Payment Details

- Wire
 Check

SubTotal	\$10,156.23
Shipping & Handling	
Taxes State	
TOTAL	\$10,156.23

Thank You

Please note - The above estimate is based on market sensitive pricing. If market price or anticipated usage increase, additional prepay invoice will follow.

Angela Z. Miller, Esq.
Phillips Lytle LLP
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New York, New York 10022
Tel. 212-759-4888
Fax. 212-308-9079

-and-

3400 HSBC Center
Buffalo, New York 14203
Tel. 716-847-8400
Fax. 716-852-6100

Attorneys for National Fuel Resources, Inc.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re

Chapter 11

General Motors Corp., et al.,

Case No. 09-50026 (REG)
(Jointly Administered)

Debtors.

CERTIFICATE OF SERVICE

I, Karen M. Hatch, being at all times over 18 years of age, hereby certify that a true and correct copy of the Objection of National Fuel Resources, Inc. to the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Non-Residential Real Property and (II) Cure Amounts Related Thereto was caused to be served by e-mail upon all parties who receive electronic notice in this case pursuant to the Court's ECF filing system, and by overnight mail to the parties so indicated on the attached service list.

Dated: Buffalo, New York
June 18, 2009

s/ Karen M. Hatch
Karen M. Hatch

General Motors Corporation
Cadillac Building
30009 Van Dyke Avenue
Warren, MI 48090-9025
Attn: Warren Command Center
Mailcode 480-206-114

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New York, NY 10004