

Annual Shipper Meeting

April 23, 2015

New Orleans, Louisiana

WELCOME

Agenda

- ✦ *Pipeline Safety, Integrity and Reliability*
- ✦ *Introduction of Kinetica Team*
- ✦ *Items Completed Since 2014 Shipper Meeting*
- ✦ *Revised System Map*
- ✦ *Kinetica Value Chain*
- ✦ *Bluewater Allocation System 28.0 Presentation*
- ✦ *BREAK*
- ✦ *Customer Advisory Board / NGL Bank*
- ✦ *Operational Integrity and Reliability*
- ✦ *PortVision Presentation*
- ✦ *What Sets Kinetica apart?*
- ✦ *Future for Kinetica 2015 – 2016*
- ✦ *Q & A*

Theme of Meeting

Pipeline Safety, Integrity & Reliability

Introduction of Kinetica Team

Kinetica Team

Diane Dundee

Katherine Ko

Michelle Dundee

Rae Donaldson

Matthew Gros

Bill Prentice

Sheryl Sellers

Kurt Cheramie

Rick Sacco

Susie Richmond

Mark Sellers

Patrick Bourg

Chris Cantrelle

Robert Roper

Evan Savant

Deirdre Fontenot

Lynn Nguyen

Jeanie Falkenstein

Sally Bergeron

Colette LeBlanc

Tracy Gerard

COO

Controller & Director of Accounting

Sr. Director of IT & Scheduling

Sr. Director of Supply & Project Development

Sr. Director of Operations

General Counsel

Director of Supply, Customer Service & Contracts

Director of ROW, Community Relations & Training

Director of Engineering & Operations Support

Manager of DOT Compliance & Training

Manager Measurement

Technical Manager Facilities

Technical Manager Pipeline

Technical Manager Gas Control

Technical Manager Corrosion

Senior Analyst Environmental & Logistics

Lead Scheduler

Scheduling Representative

Manager Office Facilities, Budget & Procurement

Manager Accounting

Payroll & HR/Benefits Administration

2014 Shipper Meeting Review

✦ *PortVision*

✦ *Customer Advisory Board*

✦ *Interconnects*

✦ *Revised Kinetica System Map*

Revised System Map



Kinetica Value Chain

✦ *New Market Connections*

- ◆ Sabine System Value Chain
- ◆ Cameron-Kinder System Value Chain
- ◆ Bluewater System Value Chain

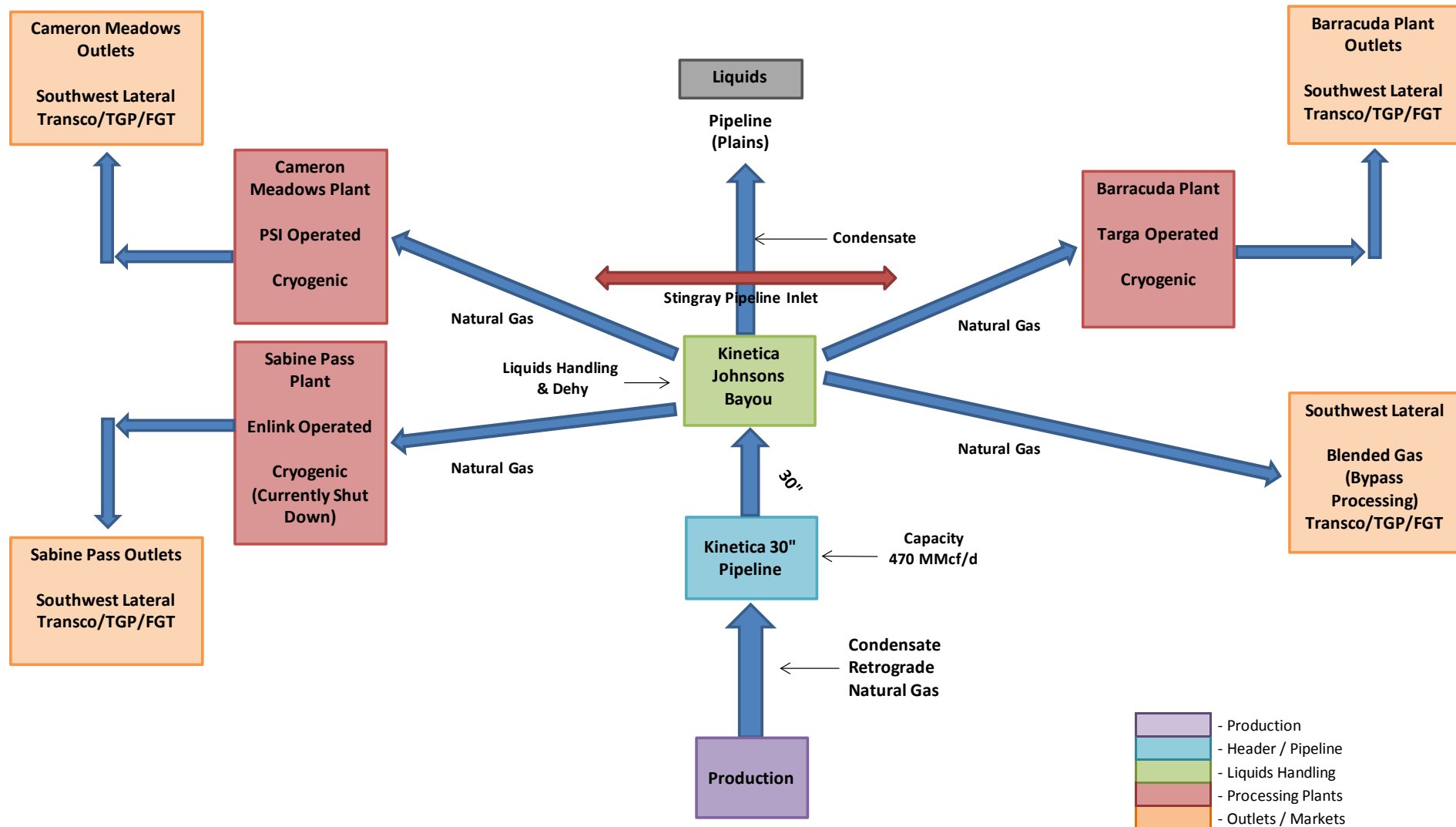
✦ *Gas Processing Plants Connected*

✦ *Future Small Scale LNG Project Locations*

- ◆ Cameron Parish
- ◆ Port Sulphur

Sabine System Value Chain

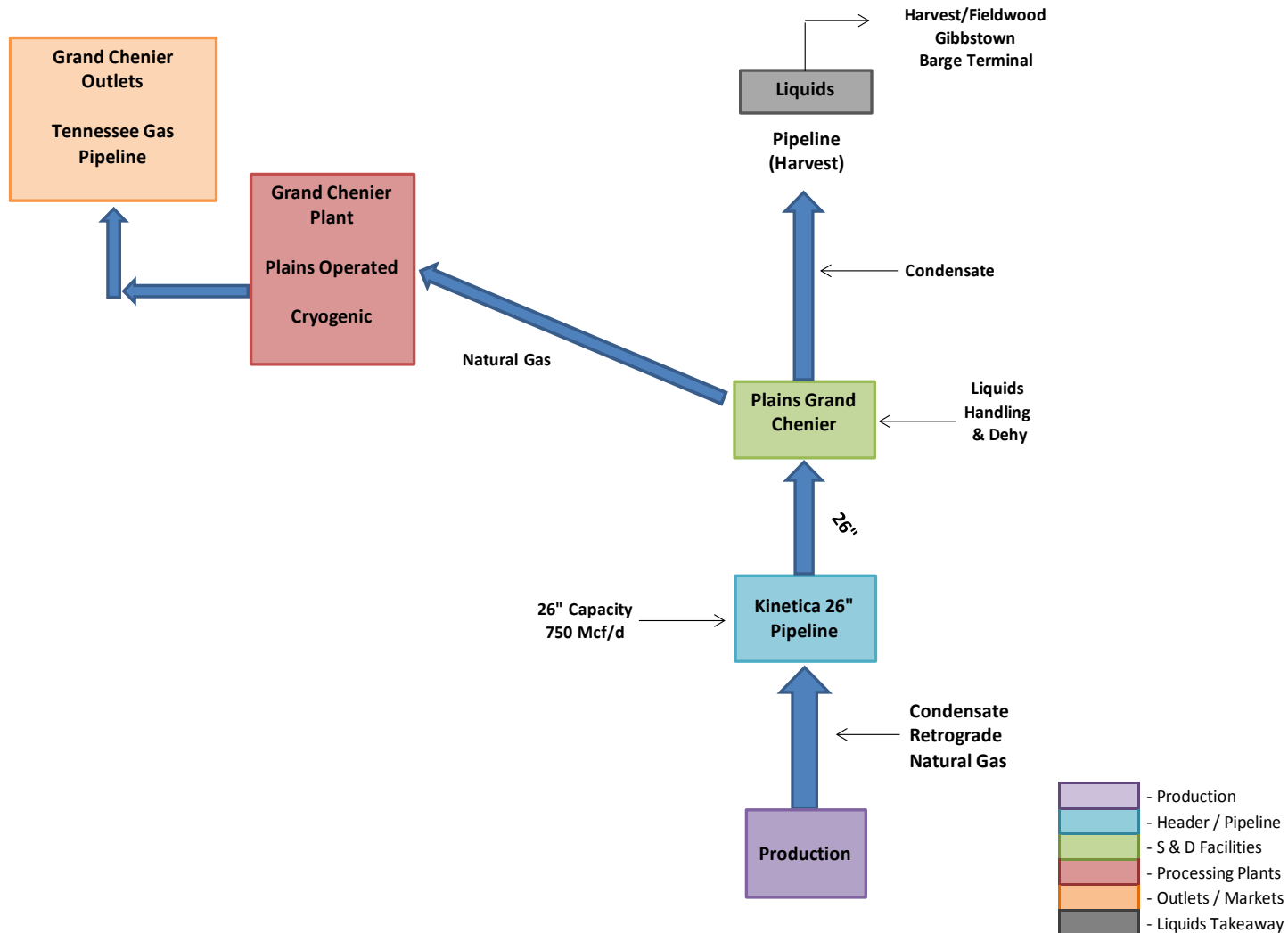
Sabine System Value Chain

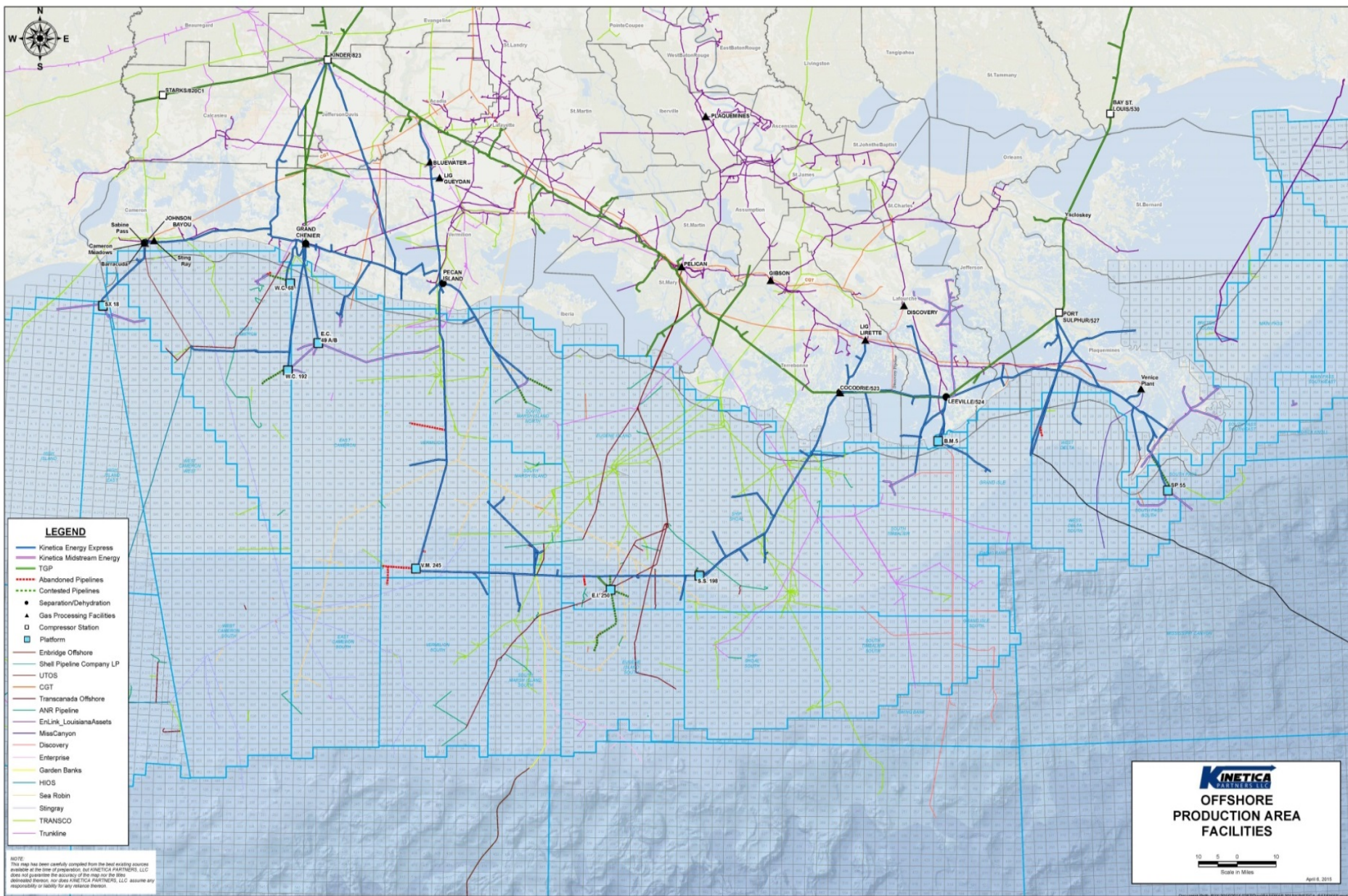




Cameron-Kinder System Value Chain

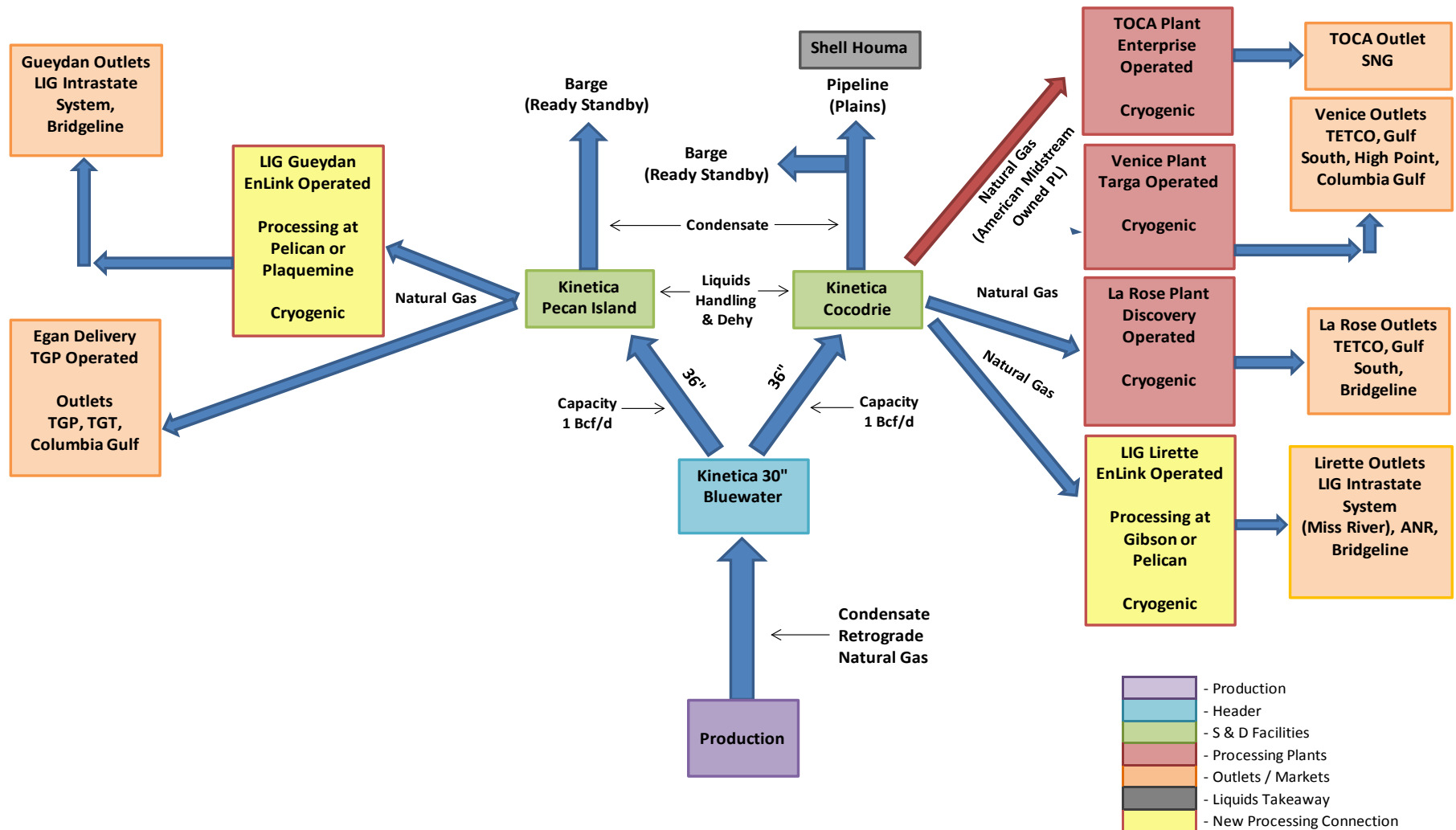
Cameron-Kinder System Value Chain

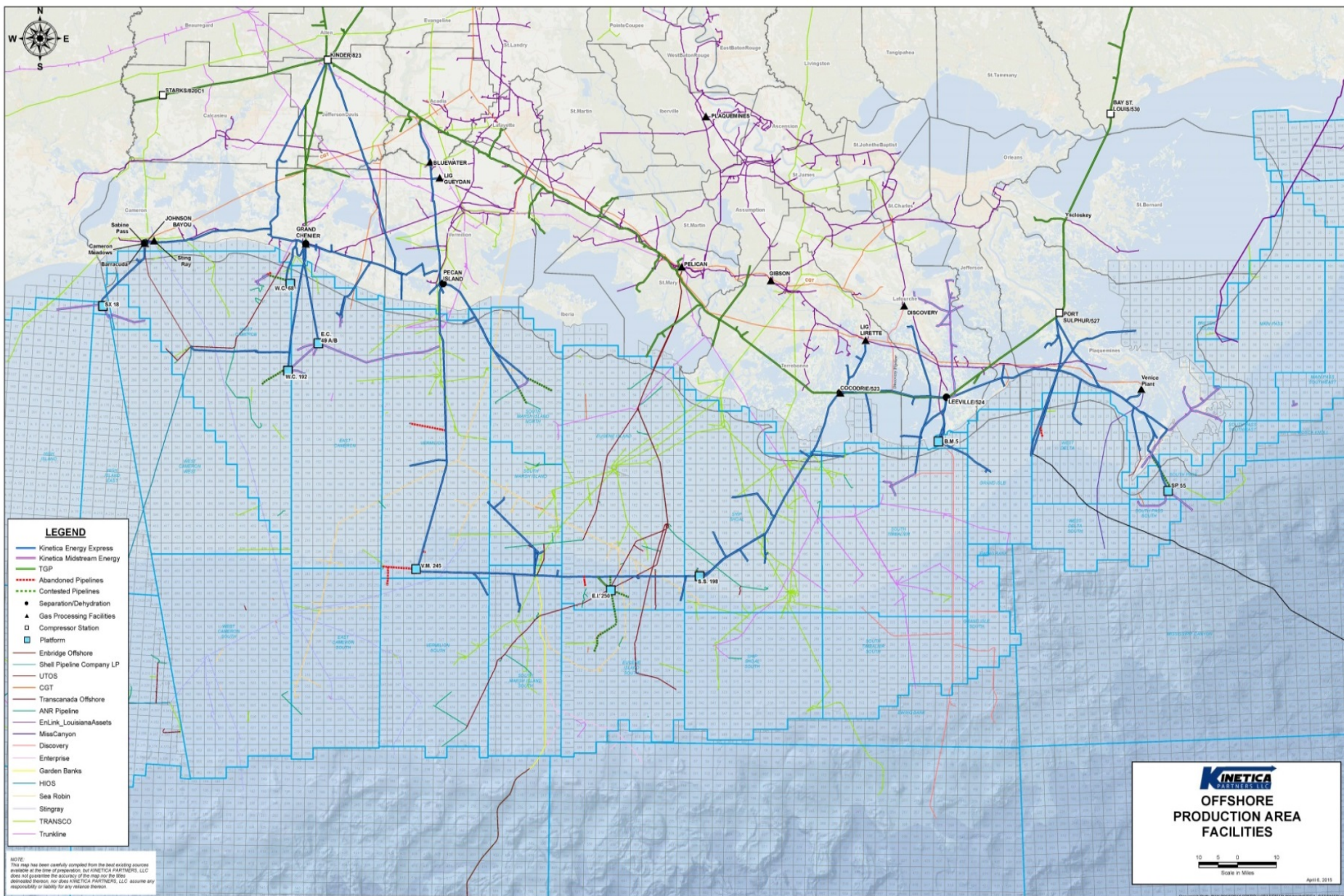




Bluewater System Value Chain

Bluewater System Value Chain





Bluewater Allocation System 28.0

✿ Janet Wild – Manager Allocation Systems

Blue Water Condensate Allocation

Kinetica Partners Annual Shippers Meeting

April 23, 2015

New Orleans, LA

281-485-8705



Produced Condensate

BLUE WATER Liquid Meter Ticket

Ticket#:	295
Meter Run#:	1
Meter Serial #:	1.5ST47595

Operator(Producer) [REDACTED]

Lease Name & Block(s) Number(s) [REDACTED]

Explain Estimated Readings:

★

If Meter On Reading differs from previous ticket Meter Off Reading please explain:

★

TOTALIZER READINGS:

Readings In: Whole BBLs ☒ Tenths ☐ Gallons ☐
Readings From: Meter Ticket ☐ Totalizer ☒ Estimate ☐

Off Meter Reading:

MO	DAY	YR
2	12	15

 5559.5 ✓

On Meter Reading:

MO	DAY	YR
2	1	15

 5017.2 ✓

Total Meter Reading(Difference): 542.3
Avg. Liq. Temp. / Month

UPSET DATA (If Estimate):

Water Carryover	
Gas Blow-By	
Meter Malfunction	

Please provide Factor information ONLY if SPL does not provide field services. Attach all paperwork verifying factors.

FACTORS:	Effective Date
Meter Factor	0.9749 1/9/2015
Shrinkage Factor	
S&W Percentage	
API Gravity	
Temperature	

BLUE WATER Liquid Meter Ticket

Ticket#:	297
Meter Run#:	1
Meter Serial #:	1.5ST84470

Operator(Producer) [REDACTED]

Lease Name & Block(s) Number(s) [REDACTED]

Explain Estimated Readings:

★

If Meter On Reading differs from previous ticket Meter Off Reading please explain:

★

TOTALIZER READINGS:

Readings In: Whole BBLs ☒ Tenths ☐ Gallons ☐
Readings From: Meter Ticket ☐ Totalizer ☒ Estimate ☐

Off Meter Reading:

MO	DAY	YR
3	1	15

 5559.5 ✓

On Meter Reading:

MO	DAY	YR
2	12	15

 5559.5 ✓

Total Meter Reading(Difference): 0
Avg. Liq. Temp. / Month

UPSET DATA (If Estimate):

Water Carryover	
Gas Blow-By	
Meter Malfunction	

Please provide Factor information ONLY if SPL does not provide field services. Attach all paperwork verifying factors.

FACTORS:	Effective Date
Meter Factor	0.9895 2/12/2015
Shrinkage Factor	
S&W Percentage	
API Gravity	
Temperature	

Meter Proving Reports

HOUSTON, TX
LAFAYETTE, LA
CARTHAGE, TX
BELLE CHASSE, LA
LAUREL, MS
TRAVERSE CITY, MI

SOUTHERN PETROLEUM LABORATORIES, INC. METER PROVING REPORT

DATE 1/27/2015
REPORT # 42

Prover Location SPL-CARENCRO		Company [REDACTED]	
Meter Description BLUEWATER		Meter ID 12691	
Meter Make NUFLO	Size 1.5"	Model TURBINE	Temp. Comp. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Rtg # SPL-1	Serial Number 1.5ST84470	Pulses / Std/Gal 13500	
Last Meter Inspection		Product VARSOL	Rate While Proving 74 GPM
Totalized This Date		Observed Gravity @ 74.0F	Normal Flow Rate
Totalizer Last Proving		API Grav @ 60 48.4	SP Grav @ 60
# Bbls Since Last Proving		Vapor Pressure @ Oper Temp 0.000	Red Vapor Pressure
		Previous Factor 0.9911	Field #
		Previous Factor Date 11/21/14	T.P.
		Before Calibration Factor	G.D.
		Includes CPL For Normal Oper Press Or	
		Meter Factor	0.9895
		System Factor	
		K-Factor	
		Includes CPL For Normal Oper Press Or	

PULSES ROUNDTrip	TEMP	740-91	1.02774	6.0650	0.28000	0.25%
1	14037.754	0.0	Serial Number	Volume @ 60F & 0 Psi/g	Size	Count Off
2	14019.531	0.0	70143.033		PROVER	Avg Temp 82.0
3	14025.159	0.0	TOTAL PULSES		PROVER	Avg Press 69.0
4	14030.466	0.0	AVG PULSES / RT		METER	Avg Temp 82.0
5	14030.123	0.0	CALCULATIONS			Avg Press 69.0
6			$1.02774 \times 1.00041 \times 1.00005 \times 0.98801 \times 1.00047 = 1.01636$			
7			GROSS VOL CTS CPS CTL CPL NET PROVER VOL			
8			$14028.607 / 13500 = 1.03916 \times 0.98801 \times 1.00047 = 1.02718$			
9			AVG PULSES / RT PULSES / BBL METER VOL CTL CPL CORR METER VOL			
10			$1.01636 / 1.02718 = 0.9895 \times 0.00000 = 0.0000$			
			NET PROVER VOL	CORR METER VOL	MECH METER FACTOR	CPL
			COMPOSITE FACTOR			
			CTS =	SPS =	CTL =	CPL =
			Steel Correction For Temperature From API Chapter 12 Sec 2	Steel Correction For Pressure From API Chapter 12 Sec 2	Liquid Correction For Temperature From ASTM D 1290, Table 6 or Table 24	Liquid Correction For Pressure From API Chapter 11 Sec 2

Signature - Company Representative - Company	Remarks
[Signature]	CCF-1= 0.98893 CCF-2= 0.98847
	K-Factor Date
	13643.254 1/27/2015
	Factor % Change -> 0.06%
ORIGINAL	1032/1414

.9895

HOUSTON, TX
LAFAYETTE, LA
CARTHAGE, TX
BELLE CHASSE, LA
LAUREL, MS
TRAVERSE CITY, MI

SOUTHERN PETROLEUM LABORATORIES, INC. METER PROVING REPORT

DATE 1/27/2015
REPORT # 43

Prover Location SPL-CARENCRO		Company [REDACTED]	
Meter Description BLUEWATER		Meter ID 12690	
Meter Make NUFLO	Size 1.5"	Model TURBINE	Temp. Comp. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Rtg # SPL-1	Serial Number 1.5ST82614	Pulses / Std/Gal 13500	
Last Meter Inspection		Product VARSOL	Rate While Proving 74 GPM
Totalized This Date		Observed Gravity @ 74.0F	Normal Flow Rate
Totalizer Last Proving		API Grav @ 60 48.4	SP Grav @ 60
# Bbls Since Last Proving		Vapor Pressure @ Oper Temp 0.000	Red Vapor Pressure
		Previous Factor 0.9576	Field #
		Previous Factor Date 11/26/2014	T.P.
		Before Calibration Factor	G.D.
		Includes CPL For Normal Oper Press Or	
		Meter Factor	0.9531
		System Factor	
		K-Factor	
		Includes CPL For Normal Oper Press Or	

PULSES ROUNDTrip	TEMP	740-91	1.02774	6.0650	0.28000	0.25%
1	14576.859	0.0	Serial Number	Volume @ 60F & 0 Psi/g	Size	Count Off
2	14566.822	0.0	72623.419		PROVER	Avg Temp 82.0
3	14563.249	0.0	TOTAL PULSES		PROVER	Avg Press 69.0
4	14559.083	0.0	AVG PULSES / RT		METER	Avg Temp 82.0
5	14557.406	0.0	CALCULATIONS			Avg Press 69.0
6			$1.02774 \times 1.00041 \times 1.00005 \times 0.98801 \times 1.00047 = 1.01636$			
7			GROSS VOL CTS CPS CTL CPL NET PROVER VOL			
8			$14564.684 / 13500 = 1.07887 \times 0.98801 \times 1.00047 = 1.06643$			
9			AVG PULSES / RT PULSES / BBL METER VOL CTL CPL CORR METER VOL			
10			$1.01636 / 1.06643 = 0.9531 \times 0.00000 = 0.0000$			
			NET PROVER VOL	CORR METER VOL	MECH METER FACTOR	CPL
			COMPOSITE FACTOR			
			CTS =	SPS =	CTL =	CPL =
			Steel Correction For Temperature From API Chapter 12 Sec 2	Steel Correction For Pressure From API Chapter 12 Sec 2	Liquid Correction For Temperature From ASTM D 1290, Table 6 or Table 24	Liquid Correction For Pressure From API Chapter 11 Sec 2

Signature - Company Representative - Company	Remarks
[Signature]	CCF-1= 0.98893 CCF-2= 0.98847
	K-Factor Date
	14164.306 1/27/2015
	Factor % Change -> 0.47%
ORIGINAL	1040/1382



.9531





LAFAYETTE MSMT
4790 N.E. EVANGELINE THRUWAY
CARENCRO, LA 70520
PHONE (337) 896-3065
FAX (337) 896-3077

CERTIFICATE OF ANALYSIS NUMBER: 20502015020137

COMPANY: 
LOCATION: 
SYSTEM / FIELD: BLUEWATER PIPELINE SYSTEM
SAMPLE OF: CONDENSATE
SAMPLE POINT: SHRINK-SPOT S&W-COMP
SAMPLE DATE: 02/12/2015
SAMPLED BY: SPL INC., (STEVEN CAMPBELL)
FOR: FIELDWOOD ENERGY LLC
2014 W. PINHOOK ROAD
SUITE 800
LAFAYETTE, LA 70508

02/25/2015

CONDITIONS : 850 PSIG @ 62 °F

OBSERVED GRAVITY : 44.4 @ 70 °F

API GRAVITY @ 60 °F: 43.5

S & W DETERMINATION: 0.11% (COMP)

COLOR : CRUDE

SHRINKAGE FACTOR : 0.9967 (SPOT)

SOUTHERN PETROLEUM LABORATORIES, INC


KIM DOMINGUE

REMARKS:



SPL Audit Trail

Platform: [REDACTED]
Operator Name: [REDACTED]

System Name: **BLUEWATER PIPELINE SYSTEM**
Production Period: **02/2015** MTH

Totalizer Readings					Adjustments	Factors			Net Bbls			
Skid	Meter Run	Date	Reading	Totalizer Gross		Meter Factor	H2O% SU%	Shrink Temp	Net Cond BBLS	Net Water BBLS	HPTtrans BBLS Basis	Flashgas BBLS Basis
1	1	On 2/1/2015	5,017.20	542.30		0.9749	0.11 C 0.00	0.9967 S 0.9990	525.84	0.58	528.16	1.74
		Off 2/12/2015	5,559.50									
1	1	On 2/12/2015	5,559.50	0.00		0.9895	0.11 C 0.00	0.9967 S 0.9990	0.00	0.00	0.00	0.00
		Off 3/1/2015	5,559.50									
Sum Meter Run				542.30					525.84	0.58	528.16	1.74

Totalizer Readings					Adjustments		Factors			Net Bbls			
Skid	Meter Run	Date	Reading	Totalizer Gross			H2O% Meter Factor	Shrink SU% Temp		Net Cond BBLS	Net Water BBLS	HPTrans BBLS Basis	Flashgas BBLS Basis
1	2	On 2/1/2015	15,591.60	✓			0.9739	0.11 C	0.9967 S	0.00	0.00	0.00	0.00
		Off 2/12/2015	15,591.60	✓	0.00	✓		0.00	0.9990				
1	2	On 2/12/2015	15,591.60	✓			0.9531	0.11 C	0.9967 S	787.19	0.87	790.66	2.61
		Off 3/1/2015	16,422.00	✓	830.40	✓		0.00	0.9990				
Sum Meter Run					830.40					787.19	0.87	790.66	2.61
Sum Platform					1,372.70					1,313.03	1.45	1,318.82	4.35

Pipeline Condensate Calculation

- Bluewater's Pipeline Condensate calculation is spelled out in BSEE's Bluewater – System 28.0 approval as well as in the Measurement and Allocation agreement.
- Elections for Pipeline Condensate are made by the producing community with the pipeline.
- Pipeline shares these elections with SPL.
- If a platform is entitled to Pipeline Condensate but has not elected to receive it, the other platforms on Bluewater share prorata that platform's Pipeline Condensate.

Pipeline Condensate Calculation

- Kinetica provides SPL Gas Volume and C6+ GPM per platform
- Kinetica provides SPL System C6+ GPM leaving facility
- If platform's C6+ GPM is equal to or greater than system C6+ GPM, the equation $\frac{\text{MCF} * \text{C6+ GPM}}{42}$ yields "Theoretical Pipeline Condensate" in BBLS and platform participates in Pipeline Condensate Allocation Process
- If platform's C6+ GPM is less than system C6+ GPM, platform does not participate in Pipeline Condensate Allocation Process

Calculation of Theoretical Pipeline Condensate

Production period **February-15**

System C6+ GPM Leaving

Bluewater: **0.06900**

$(\text{MCF} * \text{hexane_gpm})/42 = \text{Total Theo BBLS of C6+ GPM}$

Meter Number	Meter Name	MCF	hexane_gpm	Total Theo BBLS of C6+ GPM
1	a	1,201	0.12100	3.46
2	b	1,541	0.05700	-
3	c	8,124	0.16300	31.53
4	d	37,316	0.09700	86.18
5	e	46,306	0.17900	197.35
6	f	41,553	0.04600	-
		136,041		318.52

Sales



PLAINS
PIPELINE, L.P.

Date: 02/24/15 10:07

Shipper: Various

Ticket Number : 2100100656

Meter: Kinetica Mtr. 1

Grade: South Louisiana

Revision No: 0

Description: Kinetica Mtr. 1

Batch No:

Field Information

Operator: Kinetica Partners LLC

Field:

Lease: Kinetica Partners LLC

FMP Number: 21171132800

Serial no: LB-142906

Code Ref No:

API Lease No:

Fed Lease No:

Land Desc:

Base System: Golden Coodrie

Vessel:

Location:

Remarks: Pot full,

Conn. Point: Kinetica Injection

Flow: ☐ Delivery ☒ Receipt

Unit: ☒ Barrels ☐ Gallons

	Date	Reading	Register	CPL	Witness	Transportation Cycle
CLOSE	02/24/15 08:40	790285.00		Kurt P Perez	Tim Fouchoux	02/15-01
OPEN	02/09/15 09:01	757295.00		Kurt P Perez		

OBSERVABLES				FACTORS		Prove Date	Prove Ref No
Sample Gravity:	48.7	Avg Meter Temp:	59.8	Meter:	1.0022	02/09/15 10:48	61
Sample Temp:	46.0	Vapor Pressure:		Temp Corr:	1.00010	S W:	0.9995
API Gravity:	50.1	Avg. Pressure:		Pressure:	1.0000	CCF:	1.0023

Volume Calculations							
API Volume Calculation Override	Indicated Volume	CCF	Gross Standard Volume:	S W Factor	Net Standard Volume:	SW Barrels:	
<input checked="" type="checkbox"/>	32,990.00	X 1.0023	= 33,066.88	X 0.99950	= 33,049.35	16.53	

Inventories

- Inventory Tanks exist at the outlet of the Bluewater Pipeline prior to sales.
- Volumes (in BBLS) are measured daily.
- At end of month, the last day's volume is provided to SPL for use in the Condensate Allocation and is referred to as Ending Inventory.
- These volumes belong to all platforms with production in the month.
- Ending Inventory becomes the Beginning Inventory on next month's allocation.

Rolling Average Process

Working tab Column	D	E				H	I	AB3
Production Month	Theor. Prod. Cond. - (Net BBLS From Audit Trail)	Theor Pipeline Cond. (Based on GPM Calculation)	Total Sales BBLS	System Gain Loss = Total Sales BBLS - Theor. Prod. Cond.	Rolling 6 Month Avg	Actual Produced Cond	Actual Pipeline Condensate	$\begin{aligned} \text{Total Theo Production} &= \text{Theor. Prod Cond.} + \\ &(\text{Theor. Pipeline Condensate} * \text{Rolling 6 Month Avg.}) \end{aligned}$ $\text{Monthly System Factor} = \frac{\text{Sales}}{\text{Total Theo Production}}$
2/1/2015	33,803.29	7,367.67	66,175.34	32,372.05	-0.43330	66,175.34	-	1.957660
1/1/2015	43,615.03	10,889.46	45,151.39	1,536.36	-1.92372	45,151.39	-	1.035225
12/1/2014	50,682.69	6,990.67	35,632.05	(15,050.64)	-3.01548	35,632.05	-	0.703042
11/1/2014	56,332.53	9,663.31	33,535.52	(22,797.01)	-1.33775	33,535.52	-	0.595314
10/1/2014	67,073.87	12,400.43	15,091.49	(51,982.38)	-0.82762	15,091.49	-	0.224998
9/1/2014	57,188.65	11,961.86	75,961.73	18,773.08	1.24370	60,280.46	15,681.27	1.054063

Allocation Process - Produced Condensate

SYSTEM NO. 28
COCODRIE AND PECAN ISL.
SEPARATION FACILITIES

SPL Project Management
BLUEWATER ANALYST
281-485-8705
281-485-6417

BLUEWATER PIPELINE
CONDENSATE ALLOCATION

WEIGHTED AVG. GRA
SYSTEM FACTOR
PRODUCTION MONTH

50.5
1.95765974000
Feb-15

Run 2

Net BBLs

GAS MTR.	BLOCK/LEASE NAME	THEOR. PROD. CONI	PROD. COND. BEGIN. INVE	ACTUAL PROD. CONI	PROD. COND. AVAILABLE FOR SALE	BARGED PROD. COND. SALES ENTITL	PLAINS PIPELINE PROD. COND. SALES ENTITL	PROD. COND. ENDING INVE
011119	SM 060/061/067 EnergyXXI OIL & GAS, INC.	100.44	77.00	196.63	273.63	0.00	205.14	68.49
011970	FI224 #6 WALTER OIL 100%	0.00	53.78	0.00	53.78	0.00	53.78	0.00
	E 100%	1,313.03	708.78	2,570.47	3,279.25	0.00	2,458.42	820.83
011971	SM 78 D3 EnergyXXI OIL & GAS, INC. 100%	500.62	189.54	980.04	1,169.58	0.00	876.83	292.75
011987	SS 202 Northstar 100%	0.00	7.96	0.00	7.96	0.00	7.96	0.00
012040	VR 271 EnVen A-2 WELL 100%	0.00	205.28	0.00	205.28	0.00	205.28	0.00
012102	SS 111 TALOS 100%	2,079.73	1,371.58	4,071.40	5,442.98	0.00	4,080.55	1,362.43
012112	EI 231/238 E 100%	0.00	1.47	0.00	1.47	0.00	1.47	0.00
012644	SS 110 TALOS 100%	0.00	821.46	0.00	821.46	0.00	821.46	0.00
012645	VR 51 TALOS 100%	73.72	180.84	144.32	325.16	0.00	243.77	81.39
012756	SM 79E EnergyXXI OIL & GAS, INC. 50% E2, E3 Wells	78.36	60.92	153.40	214.32	0.00	160.68	53.64
012756	SM 79E ARENA 50% WELLS E2,E3	78.36	60.92	153.40	214.32	0.00	160.68	53.64
012838	EI 224 G Castex Offshore, Inc.100%	8,842.27	5,461.86	17,310.16	22,772.02	0.00	17,071.95	5,700.07
012881	VR 229 Fieldwood Energy Offshore, LLC	8,577.07	5,626.64	16,790.98	22,417.62	0.00	16,806.27	5,611.35
014001	South Lake Pelto GCER Onshore, LLC 100%	43.17	123.37	84.51	207.88	0.00	155.85	52.03
014002	Bay St. Elaine GCER Onshore, LLC 100%	7,747.69	10,424.12	15,167.34	25,591.46	0.00	19,185.63	6,405.84
018098	VR 127 TALOS 100%	4,368.83	1,408.71	8,552.68	9,961.39	0.00	7,467.96	2,493.43

BLUEWATER SYSTEM TOTALS

BLOCK/LEASE NAME	THEOR. PROD. COND.	PROD. COND. BEGIN. INVEN.	ACTUAL PROD. COND.	PROD. COND. AVAILABLE FOR SALE	BARGED PROD. COND. SALES ENTITL.	PIPELINE PROD. COND. SALES ENTITL.	PROD. COND. ENDING INVEN.
BLUWTR SYSTEM TOTALS	33,803.29	26,784.23	66,175.34	92,959.57	0.00	69,963.68	22,995.89



Allocation Process - Produced Condensate

- Theor. Prod. Cond. (column C) = NSV BBLS =
*Total Metered * Meter factor * S & W Factor *
Shrink Factor * Temperature Factor*
- Prod. Cond. Begin Inven. (column E) =
Prior Month's Ending Inventory (col AA)
- Actual Prod Cond (column G) =
*Theor. Prod. Cond. * System Factor*
- Prod. Cond. Available for Sale (Column J) =
Opening Inventory + Actual Prod. Cond.

Allocation Process – Produced Condensate

- Barged Prod. Cond. Sales Entitle. (column L) = *Allocated Barged Sales based on Prod. Cond Available for Sale (col J)*
- Plains Pipeline Prod. Cond. Sales Entitle. (column M) = *Allocated Plains Pipeline Sales based on Prod. Cond Available for Sale (col J)*
- Prod. Cond. Ending Inven. (column AA) = *Available for Sale (col J) – Barged Prod Cond Sales Entitle. (col L) – Plains Pipeline Prod. Cond. Sales Entitle. (col N)*

Allocation Process - Pipeline Condensate

SYSTEM NO. 28
COCODRIE AND PECAN ISL.
SEPARATION FACILITIES

BLUEWATER PIPELINE CONDENSATE ALLOCATION

WEIGHTED AVG. GRAV. 50.5
SYSTEM FACTOR 1.95765974000
PRODUCTION MONTH Feb-15

Run 2

GAS MTR.	BLOCK/LEASE NAME	PIPELINE		ACTUAL PIPELINE CON	5.0 DTH PIPELINE MMBTU EQUIVA	PIPELINE COND. AVAILABLE FOR SAL	BARGED PIPELINE COND. SALES ENTITL	PLAINS PIPELINE COND. SALES ENTITL	PIPELINE COND. ENDING INVE
		THEOR. PIPELINE COND	COND. BEGIN. INVE						
011119	SM 060/061/067 EnergyXXI OIL & GAS, INC.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
011970	EI224 #6 WALTER OIL 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
011970	EI 224 APACHE 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
011971	SM 78 D3 EnergyXXI OIL & GAS, INC. 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
011987	SS 202 Northstar 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012040	VR 271 EnVen A-2 WELL 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012102	SS 111 TALOS 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012112	EI 231/238 E 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012644	SS 110 TALOS 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012645	VR 51 TALOS 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012756	SM 79E EnergyXXI OIL & GAS, INC. 50% E2, E3 Wells	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012756	SM 79E ARENA 50% WELLS E2,E3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012838	EI 224 G Castex Offshore, Inc.100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
012881	VR 229 'Fieldwood Energy Offshore, LLC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
014001	South Lake Pelto GCER Onshore, LLC 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
014002	Bay St. Elaine GCER Onshore, LLC 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
018098	VR 127 TALOS 100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		THEOR. PIPELINE COND.	PIPELINE COND. BEGIN. INVEN.	ACTUAL PIPELINE COND.	5.0 DTH COND. MMBTU EQUIVAL.	PIPELINE COND. AVAILABLE FOR SALE	BARGED PL COND. SALES ENTITLE.	PIPELINE PL COND. SALES ENTITLE.	PIPELINE COND. ENDING INVEN.
BLUWTR SYSTEM TOTALS		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Allocation Process – Pipeline Condensate

- Theor. Pipeline Cond. (column D) = *If Rolling Average determines Pipeline Condensate exists and Platform's C6+ GPM is equal to or greater than System C6+ GPM, $(MCF * C6+ GPM) / 42$; if less than System C6+ GPM, Platform does not participate in Pipeline Condensate Process*
- Pipeline Cond Begin Inven. (column F) = *Prior Month's Ending Inventory (col AB)*
- Actual Pipeline Cond. (column H) = *Theor. Pipeline Cond. (col D) * System Factor*

Allocation Process - Pipeline Condensate

- 5.0 Dth Pipeline Cond. MMBTU Equiva. (column I)
= Actual Pipeline Cond (col H) 5*
- Pipeline Cond. Available for Sale (column K) =
Pipeline Cond. Begin Inven (col F) + Actual Pipeline Cond (col H)
- Barged Pipeline Cond. Sales Entitle.(column N)=
Allocated Barged Sales based on Pipeline Cond Available for Sale (col K)
- Plains Pipeline Pipeline Cond. Sales Entitle.(column O)= *Allocated Plains Pipeline Sales based on Pipeline Cond Available for Sale (col K)*

Allocation Process – Pipeline Condensate

- Pipeline Cond. Ending Inven. (column AB) =
*Pipeline Cond Available for Sale (col K) – Barged
Pipeline Cond Sales Entitle. (col N) – Plains
Pipeline Pipeline Cond. Sales Entitle. (col O)*

Entitlement Allocation

- Both the Produced Condensate and Pipeline Condensate Allocations are considered the Entitlement Allocation.
- The Entitlement Allocation is the basis for regulatory reporting.
- SPL provides ONRR with Entitlement Sales per platform on a monthly basis.

Lifting Allocation Process

- Historically, condensate has been lifted on barges causing an over/short situation
- Producer Purchaser contract needed
- Plains Pipeline is currently the only outlet
- Entitlement + Prior Month Cumulative Over/Under is basis to prorate Sales for Lifting Allocation

Questions & Answers

Customer Advisory Board NGL Bank Update

Customer Advisory Board

✦ *Purpose and Goal of Board*

- ◆ Cross-section of customers who have a vested interest in overcoming industry challenges and providing input to Kinetica
- ◆ Strategic, non tactical
- ◆ Provide input, not a decision making body

Board Members and Meeting Schedule

✦ Board Members

Company	Name	Company	Name
Anadarko	YJ Bourgeois	Fieldwood	Jim Brysch
Arena	Mike McGinnis	Hilcorp	Steve Ferrell
Chevron	Charlie Otto	Shell	Helen McGee
ConocoPhillips	Cyndy Dobbins	Superior	Mark Snapp

✦ Board Meeting Schedule - 2015

- ◆ January 22 – Kickoff Meeting
- ◆ March 5 – NGL Bank
- ◆ April 9 – NGL Bank
- ◆ May 6 – NGL Bank
- ◆ June 23
- ◆ October 22

Board Initiatives

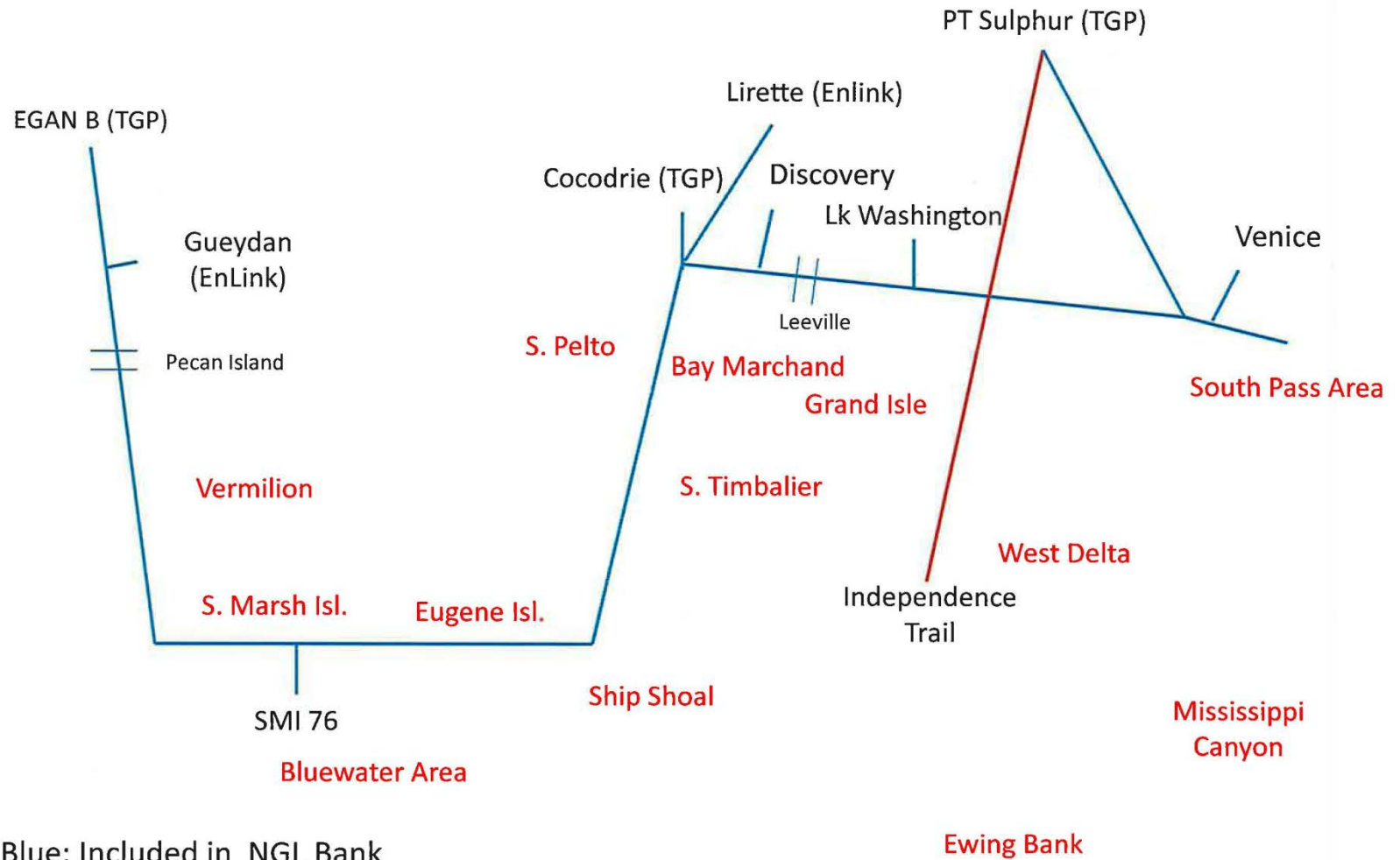
✦ *Tariff Updates*

- ◆ Remove System License Agreement
- ◆ Re-write Transportation Request Form
- ◆ OFO Pass Through

✦ *Other Suggested Items Under Review*

✦ *NGL Bank*

Eastern System Schematic



Blue: Included in NGL Bank

I-Trail: Suballocation system within Bank

Proposed NGL Bank

- ✦ *NGL Bank was included in Tariff initially filed with FERC*
- ✦ *Kinetica's goal:*
 - ◆ Fairly Account for Producer's Entrained Liquids
- ✦ *Indicated Shipper's Opposed*
- ✦ *Kinetica withdrew NGL Bank from Tariff*
- ✦ *Since receipt of Kinetica's 7c certificate, Shippers have requested that an NGL Bank be implemented*
- ✦ *Customer Advisory Board working on draft agreement*
- ✦ *Goal for Completion & Implementation:*
 - ◆ 4th Quarter 2015

Operational Integrity and Reliability

Operational Integrity Program

✦ *Damage Prevention*

- ◆ PortVision
- ◆ Mail-out Program
- ◆ Community Outreach Program
 - Kinetica is as an industry leader in the area of offshore and coastal pipeline damage prevention
 - Recognized by EPA with a Gulf Guardian Award for efforts to keep the GOM Clean, Beautiful and Productive



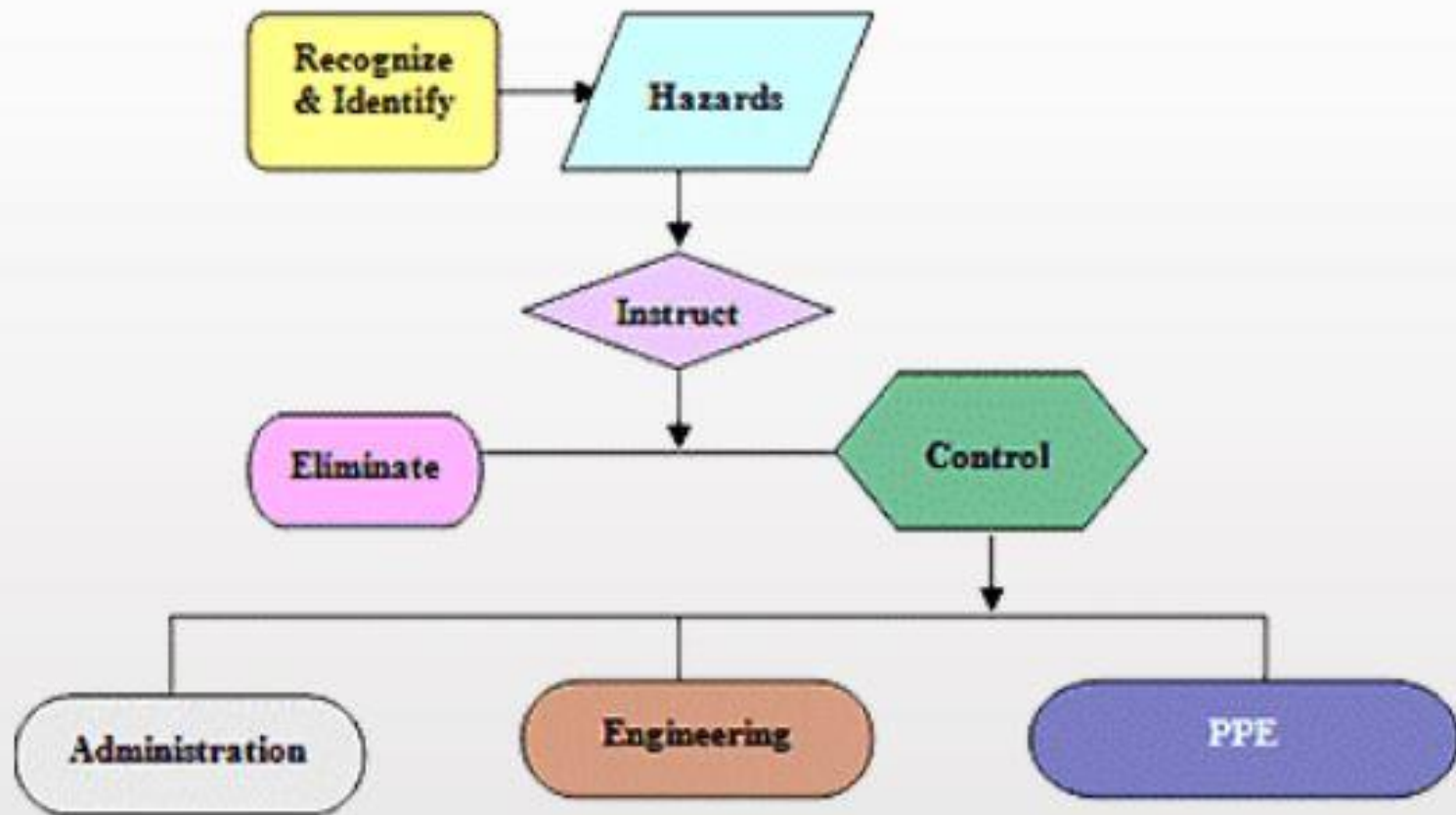
Operational Integrity Program

✦ *Safety Management System*

- ◆ Based on the Nationally recognized COSS (Certified Occupational Safety Specialist) Safety Management System
 - Certified by the American Petroleum Institute
 - Endorsed by the American Association of Safety Councils
 - Based on four key elements:
 - Knowledge
 - Skills
 - Roles
 - Behaviors
 - Used by over 265 companies nationwide:
 - Shell, ConocoPhillips, Sempra, Motiva, ExxonMobil and Entergy

Operational Integrity Program

The COSS Model



Operational Integrity Program

✦ *Training and Operator Qualification*

◆ Veriforce Safety Training

- Management & Delivery

◆ NCCER Pipeline Craft Training and Operator Qualification

- Our mission is to build a safe, productive and sustainable workforce of pipeline professionals.



Training Sponsor Candidate



Assessment Center Candidate

Operational Integrity Program

✦ *Integrity Management*

- ◆ **Development of the New Kinetica Integrity Management Plan**
 - Comply with Specific Regulations
 - Optimize Maintenance of Assets
 - Protect Public and Pipeline Assets
- ◆ **Will dovetail with our Internal Corrosion Prevention Program for optimum results for pipeline safety and customer service**

Operational Integrity Program

✦ *Operational Initiatives*

- ◆ Corrosion Program
- ◆ Pigging Program
- ◆ Measurement
- ◆ Facility Enhancements

Operational Integrity Program

❖ *Operational Initiatives – Corrosion Program*

Description	Past	Present
Points Monitored	200	200
Monitoring Time	10%	100%
Corrosion Inhibitor Chemical Injected – gallons	16,000	30,000
New Injection Systems		25

Operational Integrity Program

❖ *Operational Initiatives – Pigging*

Annual	Past	Present
Runs	45	93
Miles	900 – 1 000	2000
Liquids– bbls	Inconsistent	1.1 million

Operational Integrity Program

✦ ***Operational Initiatives***

◆ **Measurement**

- Measurement Station Upgrades
- Replacement of 125 EGM Systems

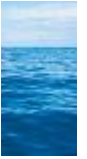
◆ **Facility Enhancements**

- PLC Upgrades
- Automation Upgrades

PortVision

 *Jason Tieman – Director of Maritime Operations*

New Game Changer in Damage Prevention- Automatic Identification System (AIS)



Powered by Oceaneering



Subsea Infrastructure Protection

- Interactions between vessels, anchors and pipelines from 1987 to 2007 resulted in the following: **120 pipeline strikes, 25 fatalities, and 17 injuries, 100,000 barrels** of released product and over **\$100,000,000 in property damage**.
- **Each day** approximately **270 large supply vessels** traverse the Port Fourchon waterways and **1.15 million barrels of crude oil** is transported via pipelines through the port.
- In **2009** in Bayou Lafourche, a **16” Natural Gas Pipeline was struck**, waterway was **closed for over 6 hours** and the cost of pipeline repairs and gas loss **exceeded \$800,000**



PortVision Impact to Subsea Infrastructure Safety

Leveraging international Automatic Identification (AIS) requirements for commercial vessels we are able to:

- Alert, via e-mail and/or text, of vessels operating over submerged cables in a threatening manner.
- Visibility of new operations near a pipeline that directly increases vessel traffic over or near you corridor.
- Ability to target infrastructure awareness funding towards specific vessels or fleets of vessels.
- Historical data for post incident investigations to determine cause factors and identify responsible parties that may have been previously unidentifiable.
- Analytical tool for researching proposed to cable or infrastructure based on historical vessel traffic.



Automatic Identification System (AIS)

- **Title 33, Code of Federal Regulations**

164.01 Applicability & § 164.46 - vessels of **65 feet or more** in length, other than passenger and fishing vessels, **Towing** vessels of **26 feet or more** in length and **more than 600 horsepower**, **Passenger vessels, of 150 gross tonnage or more, more than 150 passengers-for-hire**, Tankers, regardless of tonnage

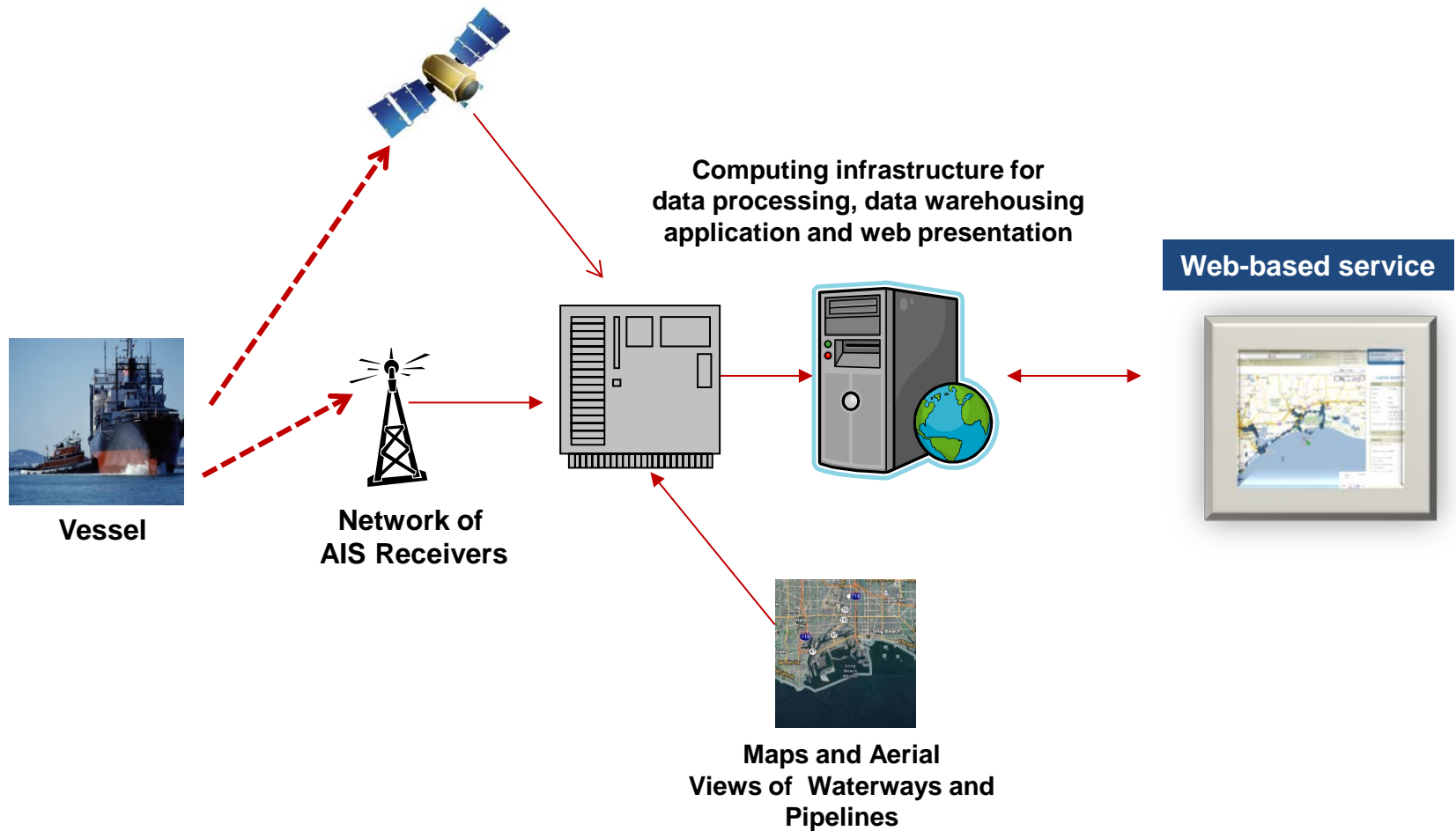
- Signal transmitted via VHF with range of 20 to 40 miles



How AIS Data is Captured....

- Network of AIS receivers
- AIS signals captured across the Gulf and around world
- Real-time visibility of all AIS equipped vessels
- Patented Geo-fencing
- Automated logging and alerting of arrival/departure/passing
- Historical AIS data captured for playback and analytical reporting up to twice a minute
 - 15 billion records dating back 5+ years
 - 50 million new location reports every day

Communication Pipeline





AIS Data Users

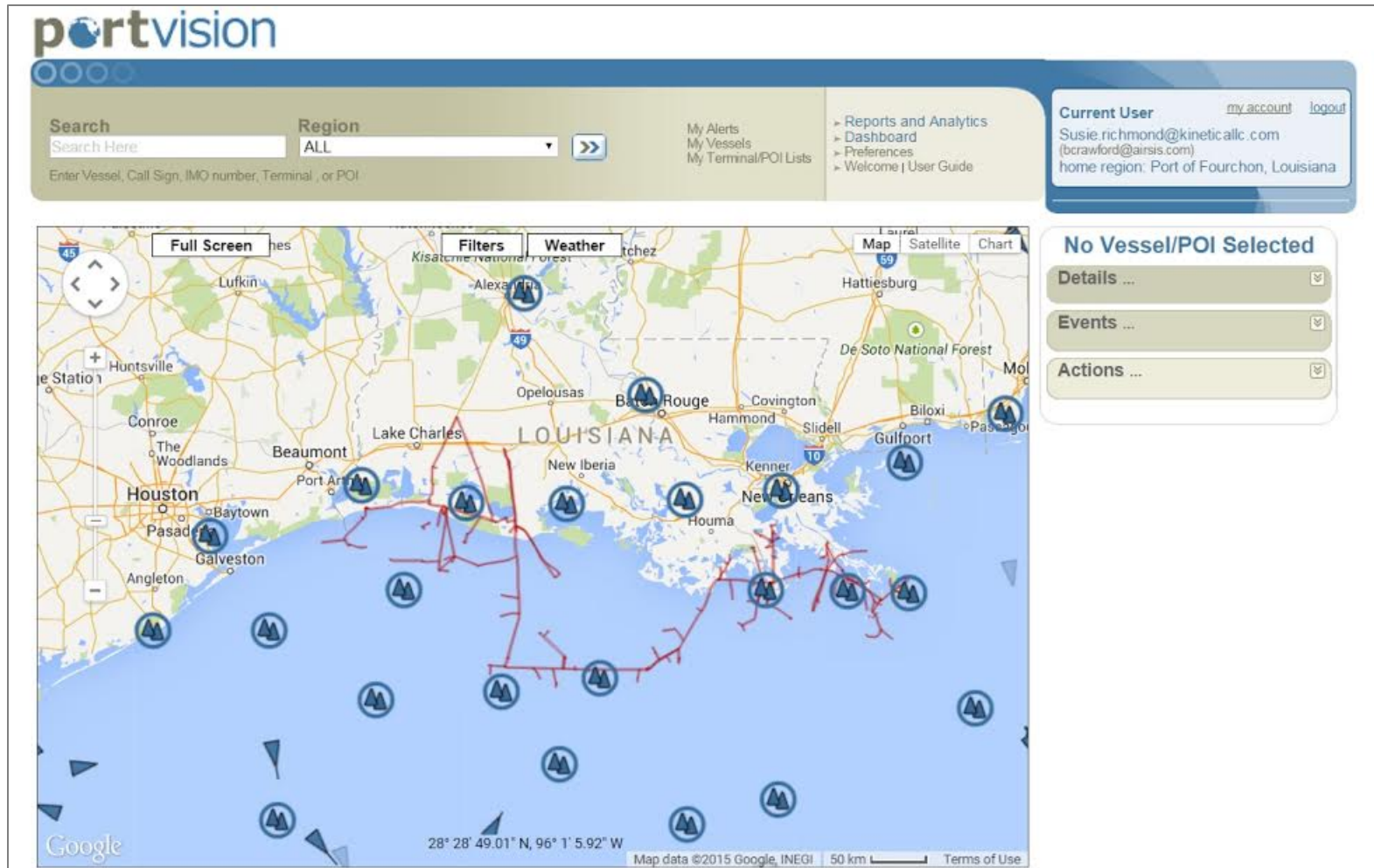
- Major Oil Companies
 - Demurrage analyst
 - Schedulers
 - Traders
 - Terminal operations
- Vessel owner/operators
- Marine service providers: agents, surveyors, ext...
- Marine fueling operations
- Government: Federal, State, Local, Port Authorities



AIS Data Utilization

- Automated documentation of factual vessel position data
- Optimize terminal and waterway utilization
- Traffic pattern studies
- Competitive analysis of fleets, terminals, assets
- Enforcement of Federal, State, Local, and company stated policies
- Emergency response: Situational reporting, logistical coordination, safety of responders

Currently Monitored Kinetica Pipelines



Alert Management

Search

Search Here

Region

Port of San Francisco, California

>>

Enter Vessel, Call Sign, IMO number, Terminal, or POI

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CPL Control Center (lheman@alrisis.com)

home region: Port of Venice, Louisiana

My Alerts

Create Alert

Edit Alert

Event	Vessel/Fleet	Call Sign	Location(s)
Zone Entry	Any		10-FOURCHON (13)_LAL0465_South Timber 37
Zone Entry	Any		11-FOURCHON (15)_LAL0501_Fourchon Terminal -
Zone Entry	Any		11-FOURCHON (17)_LAL0501_Fourchon Terminal -
Zone Entry	Any		12-HENRY (19)_LAL0741_Eugene Island 133 A
Zone Entry	Any		13-EMPIRE (20)_LAL0751_Main Pass 77 A Stru
Zone Entry	Any		14-HENRY (21)_LAL0772_South Marsh Island
Zone Entry	Any		15-HENRY (22)_LAL0782_Vermilion 245 C Str
Zone Entry	Any		16-HENRY (23)_LAL0784_Vermilion 214 A Str
Zone Entry	Any		17-EMPIRE (24)_LAL0891_Delta Gathering Boos
Zone Entry	Any		17-EMPIRE (26)_LAL0891_Delta Gathering Boos
Zone Entry	Any		18-EMPIRE (27)_LAL0892_Marathon Slam Launch
Zone Entry	Any		19-EMPIRE (28)_LAL0895_Venice Multiples - B
Zone Entry	Any		1-HENRY (1)_LAL0053_Eugene Island 361 A
Zone Entry	Any		20-HENRY (30)_LAL0951_South Marsh Island 2
Zone Entry	Any		21-HENRY (31)_LAL0952_Lighthouse Point A -
Zone Entry	Any		22-HENRY (32)_LAL0953_Shark Island - Erath
Zone Entry	Any		23-HENRY (33)_LAL0957_South Marsh Island 2
Zone Entry	Any		24-PARADIS (34)_LAL1002_Delta Farms - Bayou
Zone Entry	Any		25-PARADIS (35)_LAL1003_Lafitte Field - Det
Zone Entry	Any		26-PARADIS (36)_LAL1004_Grande Escalpe - La
Zone Entry	Any		27-PARADIS (37)_LAL1005_LAL1005 MP 11 - Gran
Zone Entry	Any		28-PARADIS (38)_LAL1006_Pass Tarte Phine - L
Zone Entry	Any		29-PARADIS (39)_LAL1024_Paradis Gas Plant -
Zone Entry	Any		2-EMPIRE (2)_LAL0060_West Delta 109 A - S
Zone Entry	Any		30-PARADIS (41)_LAL1025_Paradis Gas Plant -
Zone Entry	Any		31-HENRY (43)_LAL1051_Sulphur Valve Site -
Zone Entry	Any		32-PARADIS (44)_LAL1057_Delta Farms - Lake S
Zone Entry	Any		33-PARADIS (45)_LAL1058_Lake Salvador - Bayo

portvision

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Region

Port of San Francisco, California

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Enter Vessel, Call Sign, IMO number, Terminal, or POI

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home region: Port of Venice, Louisiana

My Alerts

Create Alert

Edit Alert

Vessel(s):

☒ Any Vessel
☐ Specific Vessel
☐ Vessel in A Fleet:

My Vessels

Location(s):

☐ Any Terminal
☐ Any Terminal or Point of Interest
☐ Specific Terminal or Point of Interest:
☐ Terminal/POI List:

My Terminals

☒ VesselZone:

11-FOURCHON (17)_LAL0501_Fourchon Terminal -

☐ No Point of Interest

Event:

Zone Entry

Email:

bidx@chevron.com, 9859664389@bt.att.net, louv@chevron.com, 9856912614@bt.att.net, ggcw@

Note:

To send email to multiple recipients, separate each recipient with a comma.

Notify:

☐ Once
 ☒ Recurring

Heading:

☐ Only alert if heading between

 and

Speed:

☐ Only alert if speed above

 knots
☒ Only alert if speed below

3

 knots

Vessel Length:

☐ Only alert if length above

 meters
☐ Only alert if length below

 meters

Vessel Type:

☐ Only alert if vessel type contains

Time in Zone:

☒ Only alert if in VesselZone for

30

 minutes

User Notes:


Recurring alert for vessel in zone for 30 minutes after speed drops below 3 knots

Delete Alert >>

Save Alert >>

Cancel >>

Alert Management



Search

Enter Vessel, Call Sign, IMO number, Terminal, or POI

Region

Port of San Francisco, California

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CPL Control Center (jhenan@arss.com)
home region: Port of Venice, Louisiana

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My Assets
Upload Assets

ID	Seq.	Code	Size	Name	Latitude	Longitude	Region	Excluded	AZ ID	AZ Seq.	Dist.	Dupe Seq	Ign.
1	1	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11590733	-91.65694536	HENRY		1	1	N/A		
1	2	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11591004	-91.65692994	HENRY		1	2	0.001		
1	3	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11597343	-91.65688977	HENRY		1	3	0.004		
1	4	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11603123	-91.65685282	HENRY		1	4	0.004		
1	5	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11604618	-91.65669468	HENRY		1	5	0.008		
1	6	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11606004	-91.65629468	HENRY		1	6	0.021		
1	7	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11606377	-91.65589468	HENRY		1	7	0.021		
1	8	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11606394	-91.65584824	HENRY		1	8	0.002		
1	9	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11610258	-91.65582672	HENRY		1	9	0.003		
1	10	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11619852	-91.65579994	HENRY		1	10	0.006		
1	11	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11676597	-91.65558689	HENRY		1	11	0.036		
1	12	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11766597	-91.65517096	HENRY		1	12	0.058		
1	13	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.11890089	-91.65472282	HENRY		1	13	0.078		
1	14	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.12026292	-91.65414079	HENRY		1	14	0.087		
1	15	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.12212699	-91.65319485	HENRY		1	15	0.123		
1	16	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.12426597	-91.65209485	HENRY		1	16	0.141		
1	17	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.12613496	-91.65120079	HENRY		1	17	0.122		
1	18	LAL0053	12 Inch	"Eugene Island 361 A Structure - Subsea Tie-in Eugene Island 316 to 14" Bonito Pipeline"	28.12855089	-91.64997779	HENRY		1	18	0.159		

Maintenance

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My VesselZones

My Scheduled Reports

Asset Management
Asset Alerts



Offshore and Coastal Data Driven Decision Making

PHMSA requirements for shallow water inspections for Gas and Hazardous Liquid Pipelines:

- Each Pipeline Operator must establish a **risk-based inspection program** for assets located in the Gulf of Mexico/inlets in water < 15' deep at risk of being exposed pipeline or a hazard to navigation (A pipeline that is deemed a hazard to navigation is one with 12" of cover or less).



Kinetica Risk Based Inspection Program Elements

Risk Factors

Site Conditions:

- Installation cover less than 3'
- Potential for cover loss
- Previous damage by outside force
- Previous lowering / repair



Vessel Activities Near Infrastructure

How do
you
know??

- Fishing
- Recreational
- Oil field
- Dredging
- Port waterway traffic





Kinetica Risk Based Inspection Program Elements

Frequency Factors

- Soil / loss
- Soil Type – low strength
- Erosive conditions
- Weather event damage
- Inspection type

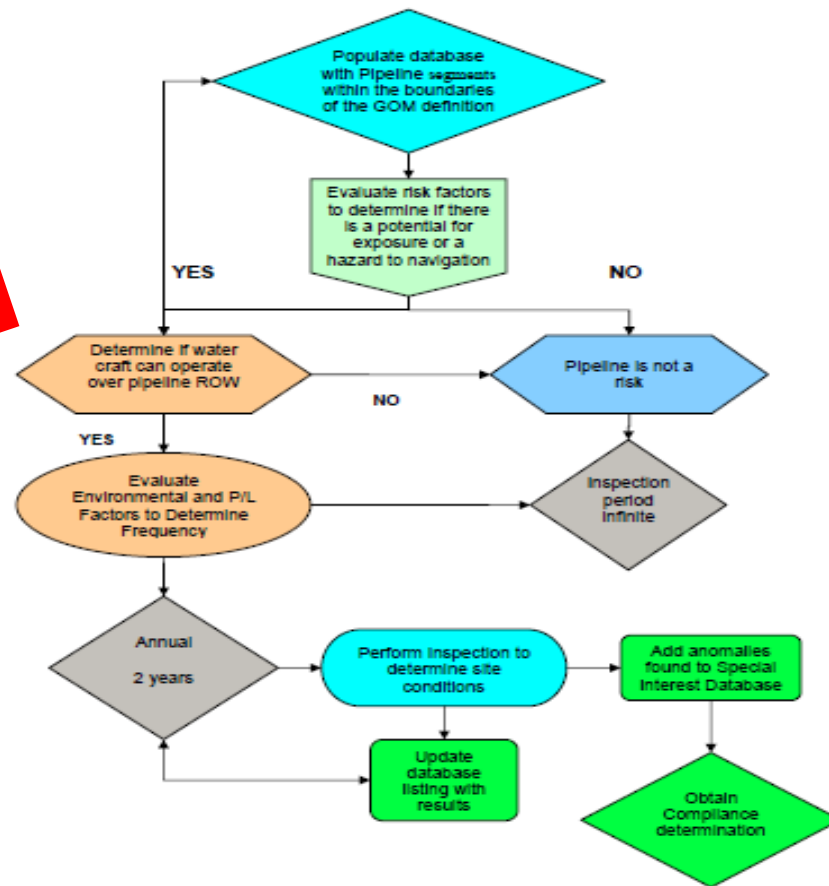
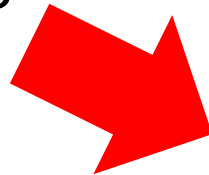
Protective Barrier

- Soil
- Concrete coating
- Concrete mats

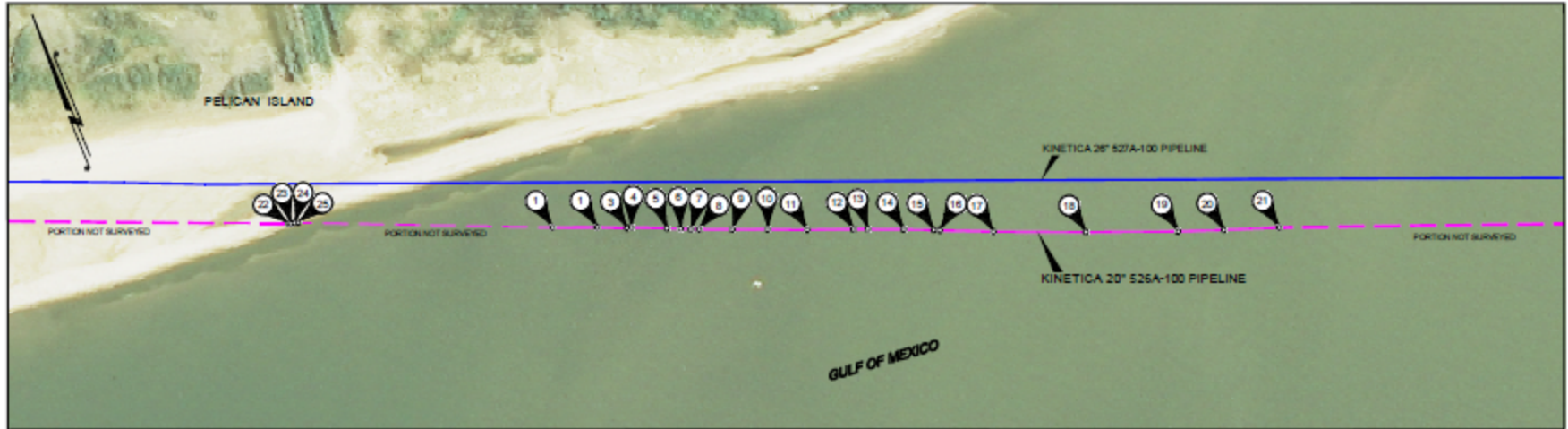


Inspection Decision Tree

Vessel traffic
is a critical
factor in the
decision
making



Completing Inspections and Gathering Data



POINT No.	X= [NAD 83]	Y= [NAD 83]	LAT= [NAD 83]	LONG= [NAD 83]	WATER DEPTH	MUD COVER
1	3,857,308.35	271,370.10	29° 14' 01.2911"	89° 31' 33.3178"	3.8	3.0
2	3,857,438.56	271,317.91	29° 14' 00.7541"	89° 31' 31.8577"	4.3	2.4
3	3,857,524.95	271,279.38	29° 14' 00.3593"	89° 31' 30.8896"	4.0	3.0
4	3,857,537.72	271,276.34	29° 14' 00.3272"	89° 31' 30.7460"	4.0	3.5
5	3,857,639.67	271,231.63	29° 13' 59.8687"	89° 31' 29.6035"	3.9	2.6
6	3,857,679.26	271,214.18	29° 13' 59.6899"	89° 31' 29.1598"	4.1	2.2
7	3,857,708.32	271,200.56	29° 13' 59.5505"	89° 31' 28.8342"	4.1	2.3
8	3,857,732.56	271,190.38	29° 13' 59.4459"	89° 31' 28.5625"	4.1	2.7
9	3,857,828.50	271,150.82	29° 13' 59.0393"	89° 31' 27.4868"	4.0	2.9
10	3,857,931.97	271,108.46	29° 13' 58.6039"	89° 31' 26.3267"	4.8	1.8
11	3,858,046.14	271,060.20	29° 13' 58.1084"	89° 31' 25.0470"	4.2	2.4
12	3,858,181.04	271,006.87	29° 13' 57.5594"	89° 31' 23.5341"	4.7	2.3
13	3,858,223.27	270,990.16	29° 13' 57.3874"	89° 31' 23.0605"	4.4	2.8

POINT No.	X= [NAD 83]	Y= [NAD 83]	LAT= [NAD 83]	LONG= [NAD 83]	WATER DEPTH	MUD COVER
14	3,858,327.24	270,946.35	29° 13' 56.9375"	89° 31' 21.8951"	4.6	1.6
15	3,858,413.30	270,909.08	29° 13' 56.5550"	89° 31' 20.9305"	4.2	2.0
16	3,858,430.98	270,901.19	29° 13' 56.4742"	89° 31' 20.7324"	4.3	2.1
17	3,858,585.02	270,832.81	29° 13' 55.7732"	89° 31' 19.0063"	4.5	2.0
18	3,858,852.85	270,722.18	29° 13' 54.6362"	89° 31' 16.0096"	4.9	0.6
19	3,859,122.17	270,613.65	29° 13' 53.5198"	89° 31' 12.9837"	4.5	2.3
20	3,859,256.58	270,563.50	29° 13' 53.0024"	89° 31' 11.4758"	4.3	0.7
21	3,859,420.16	270,504.54	29° 13' 52.3932"	89° 31' 09.6404"	4.3	2.2
22	3,856,545.57	271,696.27	29° 14' 04.6386"	89° 31' 41.8679"	—	8.0
23	3,856,552.50	271,693.68	29° 14' 04.6119"	89° 31' 41.7901"	—	8.0
24	3,856,563.64	271,691.42	29° 14' 04.5879"	89° 31' 41.6649"	—	8.0
25	3,856,574.74	271,687.41	29° 14' 04.5465"	89° 31' 41.5403"	—	8.0

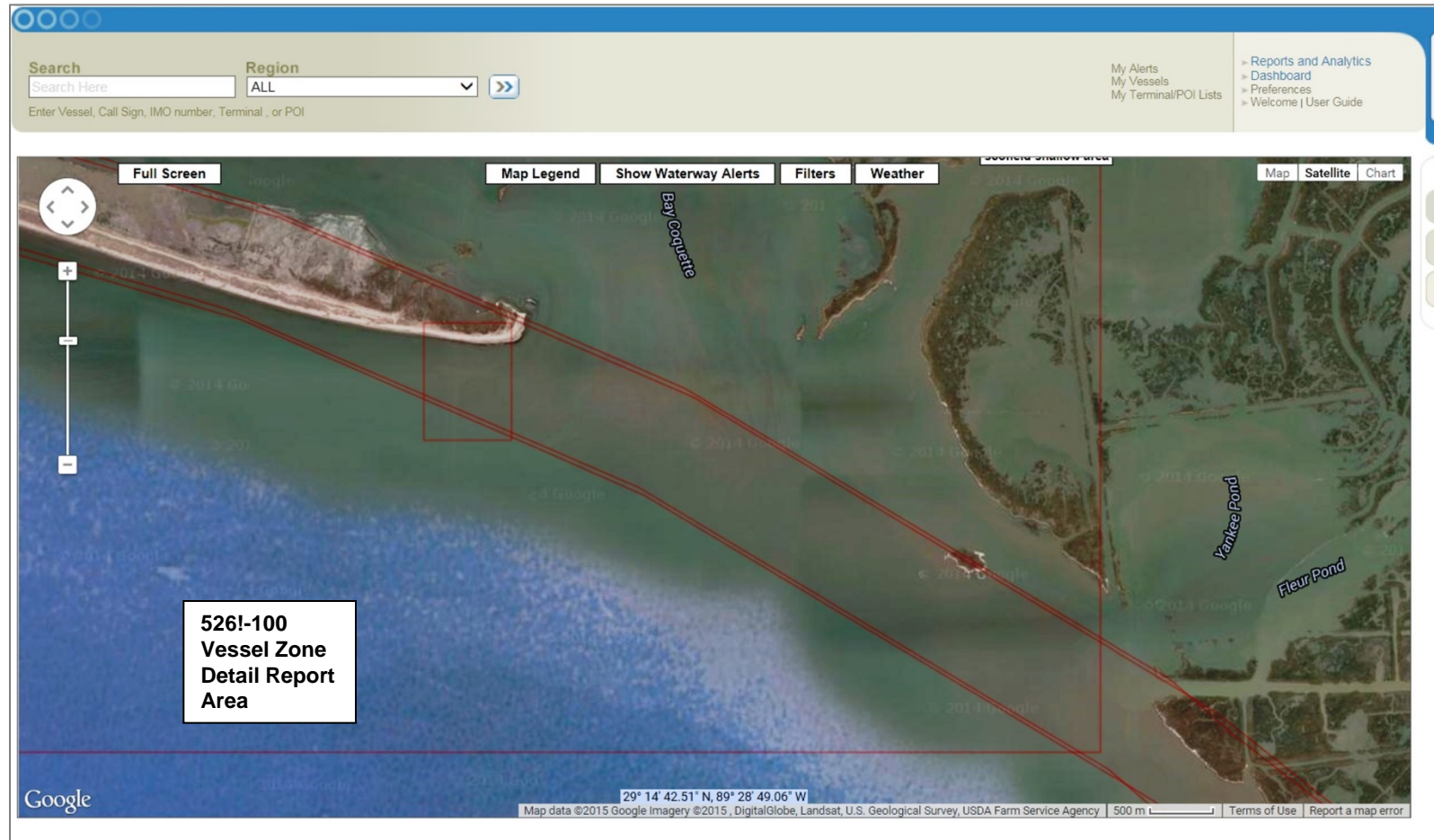


Shallow / Exposed Pipeline Investigation

- Pipeline survey: pipeline may be exposed or hazard to navigation and needed to be investigate vessel activity near the location
- We created a vessel zone report from our pipeline map to identified vessels that had entered zone area or might enter in the future
- This information can help identify what coastal zone permitting process should be used, standard or emergency
- Reached out to potentially impacted stakeholders, using methods beyond the standard “notice to mariners” issued by the USCG

Data vs Crew Interviews


What vessel traffic did you see while you were on location?





What did we find?

The Geo-fenced area (vessel zone) in PortVision indicated that eight vessels from the Daybrook Fishing Fleet entered the pipeline zone from 4/1/14 to 9/30/14.



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Vessel Zone Detail Report

Vessels in 526A-100 between 2014-04-01 00:00:00 and 2014-09-30 23:59:00 CDT

Vessel Name	Call Sign	Vessel Type	First Position Time
LAUREN A	WQZ8931	Vessel	2014-09-25 13:16:38 CDT
MARY JUDITH	WYR2143	Passenger	2014-04-21 09:47:06 CDT
MARY VIRGINIA	WYR2142	Vessel	2014-08-26 13:17:37 CDT
SEA CHARGER	WBF3639	Vessel	2014-04-21 10:02:02 CDT
SEA FALCON	WCY3835		2014-09-10 11:21:46 CDT
SEA WASP	WBF3637	Vessel	2014-09-22 07:30:38 CDT
SEA WOLF	WBF3641	Vessel	2014-09-18 13:42:42 CDT
VASCO DA GAMA	WBF3638	Vessel	2014-09-23 10:24:34 CDT

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How much vessel traffic do we have on our entire pipeline system?

Vessel Zone Aggregate Report

Unique number of vessels per vessel zone between 2014-12-01 and 2014-12-31

Vessel Zone	Total Unique Vessels
Total for December	17522



How much vessel traffic do we have on Pipelines in our Inspection Program?

Vessel Zone Aggregate Report

Unique number of vessels per vessel zone between 2014-12-01 and 2014-12-31

Vessel Zone	Total Unique Vessels
104-KINETICA (104) 526A-100 19031578 036180P-526	888
92-KINETICA (92) 524C-100 19031295 035242P-524	799
72-KINETICA (72) 523Q-100 2000956 034700-523Q-	450
140-KINETICA (140) BW509A-100 19040440 WLPI100-2-B	435
141-KINETICA (141) BW509A-100-GOM 19040440-GOM WLPI100	172
136-KINETICA (136) 823X-1300 2000192 040700-823X-	160
137-KINETICA (137) 823X-300 2000212 041100-823X-	160
31-KINETICA (31) 507K-100 2000804 031520-507K-	99
<u>December Total</u>	3163



Pipeline Inspection and Remediation

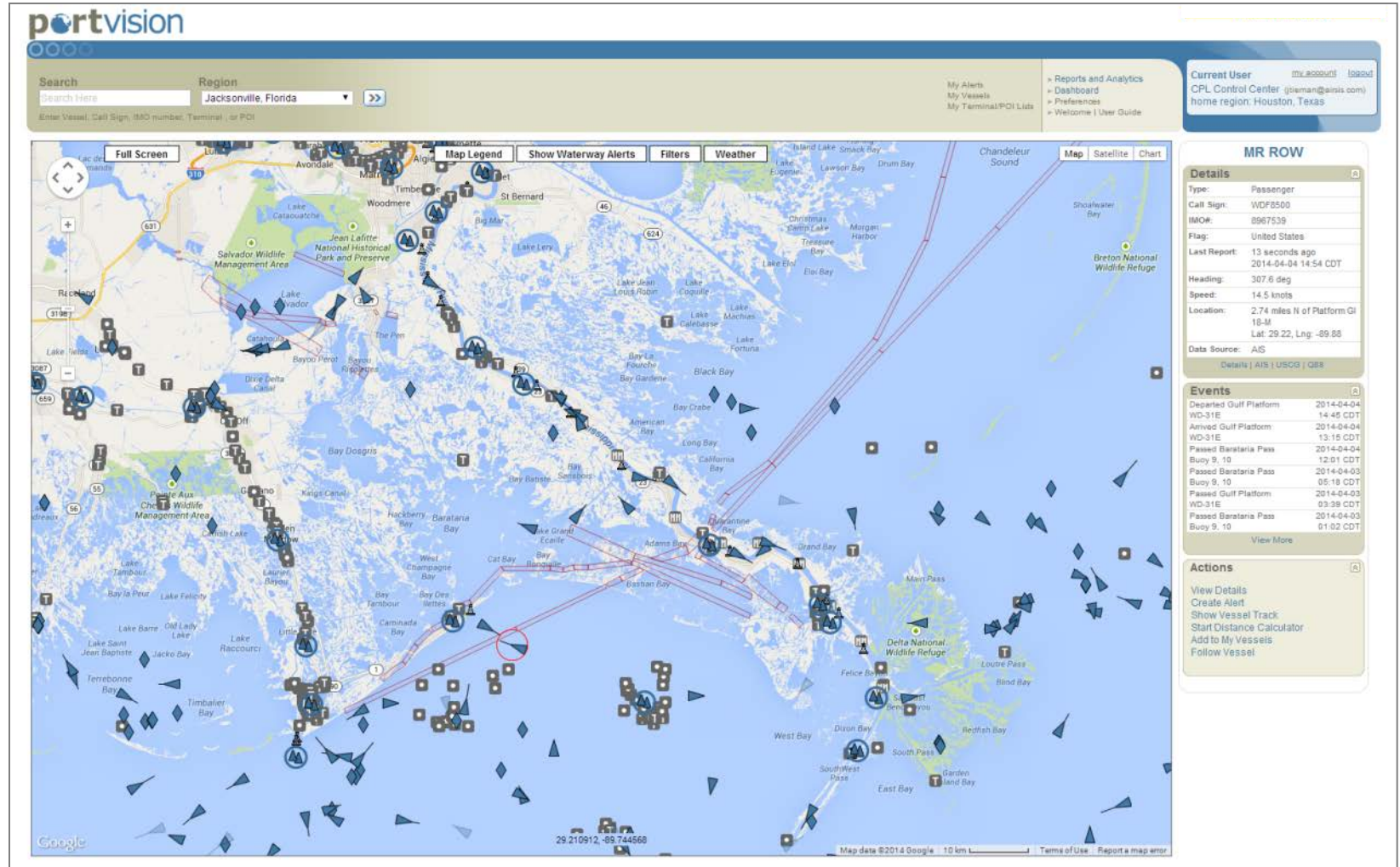
- Having data available enables Kinetica to adjust inspection frequencies to focus resources where mariner safety will be enhanced.
- Better permitting decisions – do we need to seek and emergency coastal zone permit for a high vessel traffic location?
- Less environmental impact, avoiding wheel washing and disturbance of coastal marshes.

Pipeline Case Study



AIS-based pipeline monitoring is an innovative way to help vessel operators keep their crews safe, reduce liability risks, and provide an easy and effective way to help the industry protect people, assets and the environment from the damaging and often disastrous consequences of pipeline strikes.

Pipeline Monitoring Zones



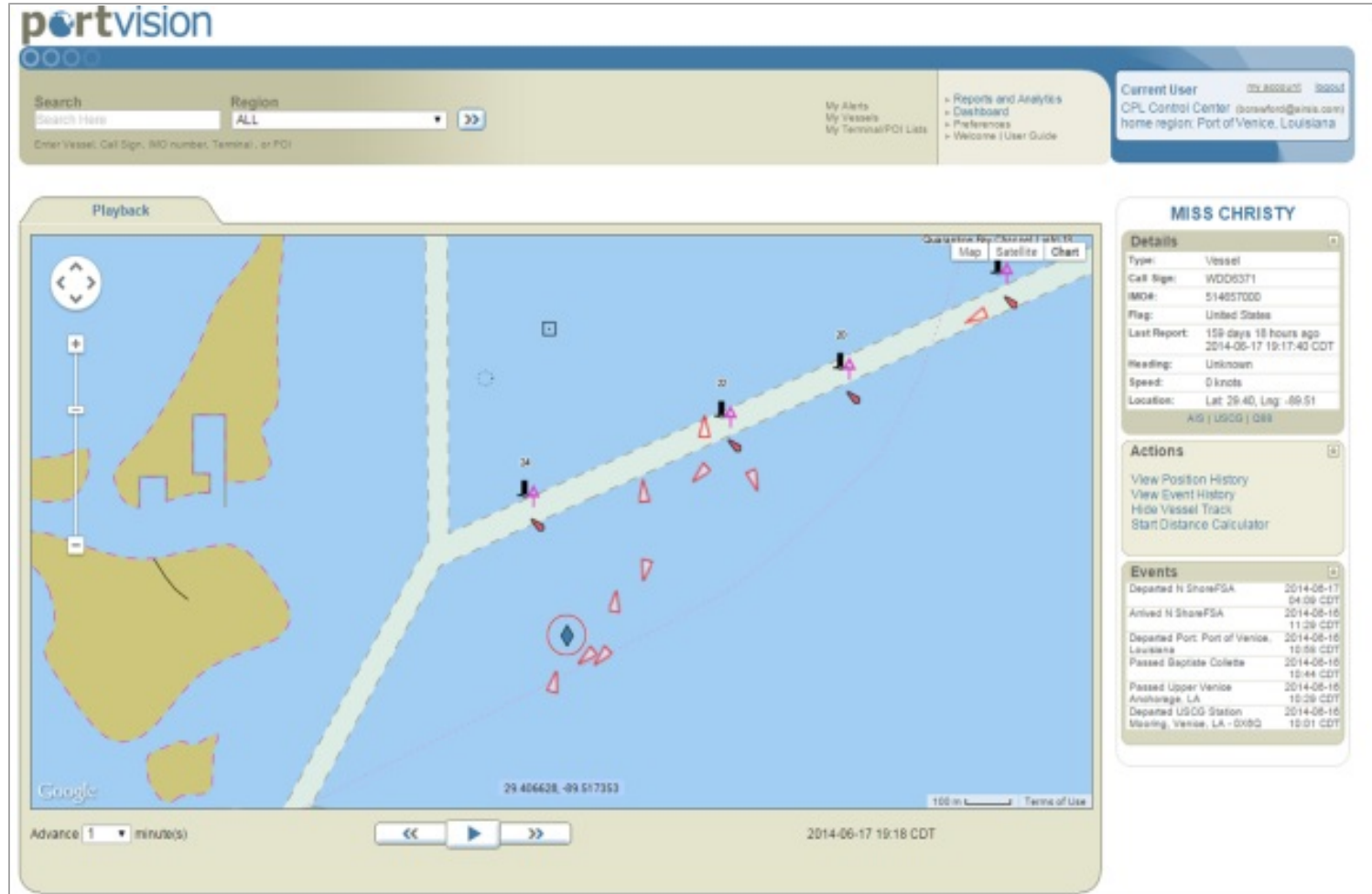


Pipeline Near-Miss

- Pipeline received an alert regarding a vessel in zone of interest that looked suspicious
- Field inspector sent to investigate and confirmed vessel was stationary within designated pipeline corridor
- Inspector notified Field Supervisor and Control Center
- Field inspector contacted vessel owner, provided vessel captains phone #
- Captain was asked for an ALL STOP until further notice to do his proximity to pipeline
- Vessel was grounded, notifications were made to all CPL stakeholders
- Vessel was instructed to wait and relocate at high tide so not to be a threat to the pipeline



Vessel Track Over Pipeline





Example of a “pipeline zone” report listing all vessels that were over specific pipeline segment

portvision Vessel Zone Detail Report

Vessel Zone: 48_LAL0501_Fourchon Terminal - 18 From Date/Time: 2014-02-01 0800 Options: ☐ Show All In/Out VesselZone Details

Time Zone: Local GMT To Date/Time: (Maximum date range is 6 months) 2014-02-28 2359 **Display Report**

1 of 1 Select a format Export

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Vessel Zone Detail Report

Vessels in 48_LAL0501_Fourchon Terminal - 18 between 2014-02-01 08:00:00 and 2014-02-28 23:59:00 CST

Vessel Name	Call Sign	Vessel Type	First Position Time
L/B MR. ALAN	WDC2932	Other	2014-02-21 23:32:25 CST
MASTER DEVIN	WCY3175	Vessel	2014-02-21 23:08:25 CST
USNS YANO	NAQH	Cargo	2014-02-13 07:13:56 CST

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Historical Vessel Position Report showing every 30 seconds of vessel transit

portvision Vessel Position Report

Vessel: L1B MR. ALAN - Call sign: WDC2932 From Date/Time: 2014-02-21 23:32 Interval: Show All

Time Zone: Local GMT To Date/Time: 2014-02-22 23:32 Display Report

1 of 9 Select a format Export

portvision Vessel Position Report

Position records for L1B MR. ALAN - Call sign: WDC2932 beginning 2014-02-21 23:32:25 ending 2014-02-22 23:32:25 in local time

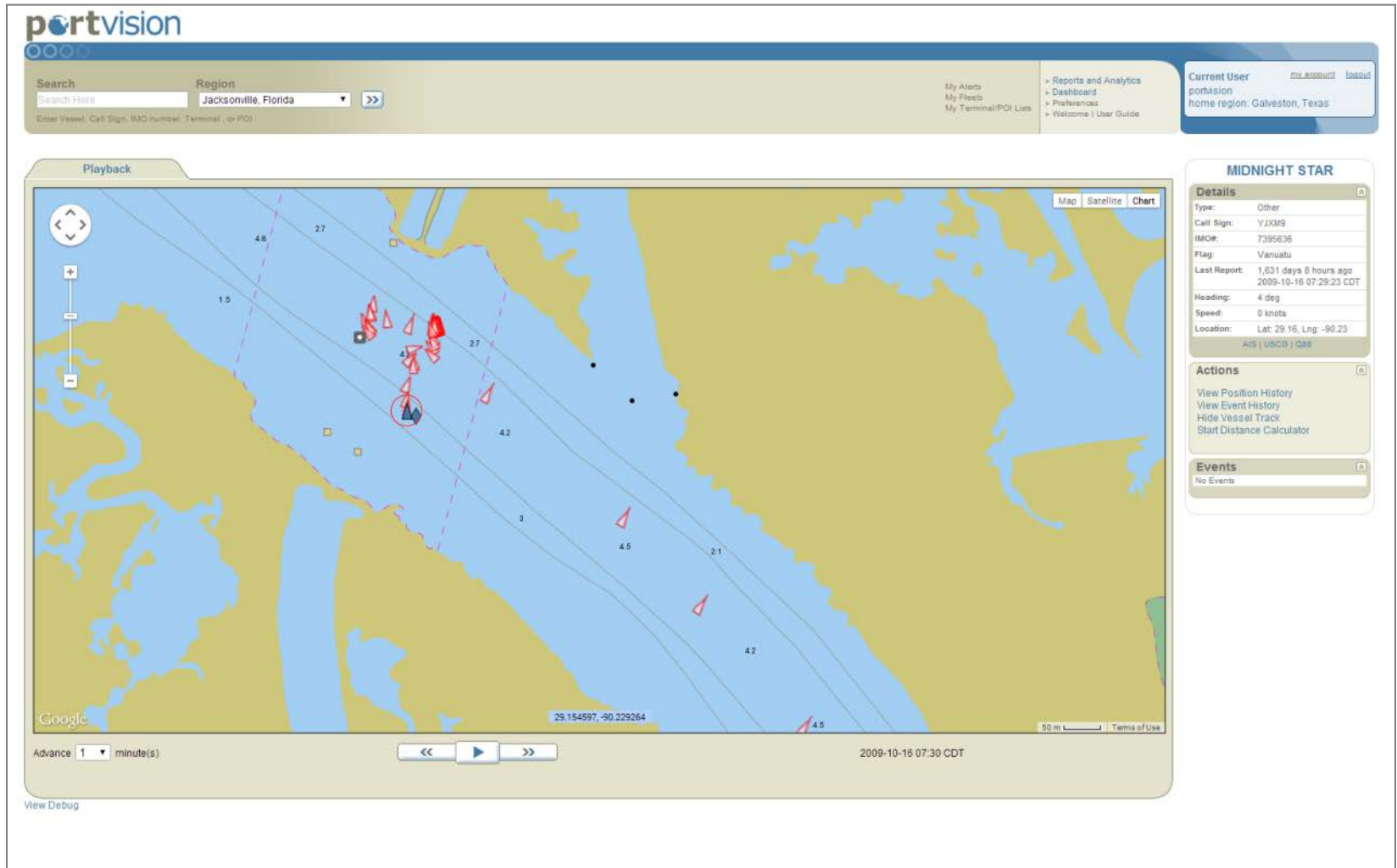
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Position Date	Position Time	Position Label	Speed	True Heading	COG Heading	Latitude	Longitude	Event Name	Data
2014-02-21	23:32:25 CST	2.38 miles W of Platform GI 16-BB	5.8 knots	N/A	64.6 [NE]	29° 9' 55.39" N	90° 3' 44.23" W	AIS	
2014-02-21	23:33:16 CST	2.32 miles W of Platform GI 16-BB	5.7 knots	N/A	55.8 [NE]	29° 9' 57.86" N	90° 3' 39.54" W	AIS	
2014-02-21	23:34:05 CST	2.27 miles W of Platform GI 16-BB	5.7 knots	N/A	57.4 [NE]	29° 10' 0.3" N	90° 3' 34.92" W	AIS	
2014-02-21	23:34:55 CST	2.22 miles W of Platform GI 16-BB	5.7 knots	N/A	62.2 [NE]	29° 10' 2.71" N	90° 3' 30.31" W	AIS	
2014-02-21	23:35:35 CST	2.18 miles W of Platform GI 16-BB	5.7 knots	N/A	57.6 [NE]	29° 10' 4.66" N	90° 3' 26.55" W	AIS	
2014-02-21	23:36:15 CST	2.15 miles W of Platform GI 16-BB	5.6 knots	N/A	52.2 [NE]	29° 10' 6.8" N	90° 3' 22.93" W	AIS	
2014-02-21	23:37:05 CST	2.11 miles NW of Platform GI 16-BB	5.5 knots	N/A	58.9 [NE]	29° 10' 9.44" N	90° 3' 18.52" W	AIS	
2014-02-21	23:37:46 CST	2.07 miles NW of Platform GI 16-BB	5.7 knots	N/A	54.8 [NE]	29° 10' 11.48" N	90° 3' 14.77" W	AIS	
2014-02-21	23:38:35 CST	2.05 miles NW of Platform GI 16-BB	5.6 knots	N/A	47.1 [NE]	29° 10' 14.66" N	90° 3' 10.79" W	AIS	
2014-02-21	23:39:15 CST	2.02 miles NW of Platform GI 16-BB	5.7 knots	N/A	59.3 [NE]	29° 10' 16.72" N	90° 3' 7.36" W	AIS	
2014-02-21	23:40:05 CST	1.99 miles NW of Platform GI 16-BB	5.5 knots	N/A	57.9 [NE]	29° 10' 19.18" N	90° 3' 2.84" W	AIS	
2014-02-21	23:40:46 CST	1.96 miles NW of Platform GI 16-BB	5.5 knots	N/A	58.1 [NE]	29° 10' 21.19" N	90° 2' 59.18" W	AIS	
2014-02-21	23:41:46 CST	1.92 miles NW of Platform GI 16-BB	5.6 knots	N/A	62.8 [NE]	29° 10' 24" N	90° 2' 53.68" W	AIS	
2014-02-21	23:42:47 CST	1.89 miles NW of Platform GI 16-BB	5.4 knots	N/A	63.7 [NE]	29° 10' 26.78" N	90° 2' 48.28" W	AIS	
2014-02-21	23:43:46 CST	1.86 miles NW of Platform GI 16-BB	5.4 knots	N/A	58 [NE]	29° 10' 29.59" N	90° 2' 42.98" W	AIS	
2014-02-21	23:44:26 CST	1.86 miles NW of Platform GI 16-BB	5.4 knots	N/A	43.1 [NE]	29° 10' 31.99" N	90° 2' 39.96" W	AIS	
2014-02-21	23:45:14 CST	1.85 miles NW of Platform GI 16-BB	5.1 knots	N/A	56.7 [NE]	29° 10' 34.6" N	90° 2' 36.07" W	AIS	
2014-02-21	23:45:54 CST	1.83 miles NW of Platform GI 16-BB	5.1 knots	N/A	59.9 [NE]	29° 10' 36.25" N	90° 2' 32.61" W	AIS	
2014-02-21	23:46:34 CST	1.82 miles NW of Platform GI 16-BB	5.1 knots	N/A	63.8 [NE]	29° 10' 37.73" N	90° 2' 29.08" W	AIS	
2014-02-21	23:47:14 CST	1.81 miles NW of Platform GI 16-BB	5 knots	N/A	58.6 [NE]	29° 10' 39.4" N	90° 2' 25.87" W	AIS	
2014-02-21	23:48:14 CST	1.8 miles NW of Platform GI 16-BB	4.8 knots	N/A	66.2 [NE]	29° 10' 41.75" N	90° 2' 21.14" W	AIS	
2014-02-21	23:49:14 CST	1.79 miles NW of Platform GI 16-BB	4.1 knots	N/A	56.2 [NE]	29° 10' 43.79" N	90° 2' 16.81" W	AIS	
2014-02-21	23:50:14 CST	1.78 miles NW of Platform GI 16-BB	4.1 knots	N/A	56.1 [NE]	29° 10' 45.7" N	90° 2' 12.56" W	AIS	
2014-02-21	23:51:14 CST	1.78 miles NW of Platform GI 16-BB	4.6 knots	N/A	64 [NE]	29° 10' 47.81" N	90° 2' 8.26" W	AIS	
2014-02-21	23:52:06 CST	1.79 miles NW of Platform GI 16-BB	4.8 knots	N/A	51.3 [NE]	29° 10' 50.12" N	90° 2' 4.51" W	AIS	
2014-02-21	23:53:04 CST	1.8 miles NW of Platform GI 16-BB	5.2 knots	N/A	56.9 [NE]	29° 10' 52.67" N	90° 1' 59.86" W	AIS	
2014-02-21	23:53:44 CST	1.8 miles NW of Platform GI 16-BB	5.6 knots	N/A	59.7 [NE]	29° 10' 54.54" N	90° 1' 56.36" W	AIS	
2014-02-21	23:54:25 CST	1.82 miles NW of Platform GI 16-BB	5.6 knots	N/A	55.3 [NE]	29° 10' 56.68" N	90° 1' 52.7" W	AIS	
2014-02-21	23:55:14 CST	1.83 miles N of Platform GI 16-BB	5.9 knots	N/A	53 [NE]	29° 10' 59" N	90° 1' 48.03" W	AIS	
2014-02-21	23:56:04 CST	1.85 miles N of Platform GI 16-BB	5.9 knots	N/A	62.1 [NE]	29° 11' 1.59" N	90° 1' 43.32" W	AIS	
2014-02-21	23:56:46 CST	1.86 miles N of Platform GI 16-BB	6.1 knots	N/A	56.7 [NE]	29° 11' 3.43" N	90° 1' 38.97" W	AIS	
2014-02-21	23:57:26 CST	1.87 miles W of Platform GI 16-CC	6.1 knots	N/A	55.7 [NE]	29° 11' 5.78" N	90° 1' 35.24" W	AIS	
2014-02-21	23:58:14 CST	1.81 miles W of Platform GI 16-CC	6.1 knots	N/A	58.3 [NE]	29° 11' 8.62" N	90° 1' 30.5" W	AIS	
2014-02-21	23:58:55 CST	1.77 miles W of Platform GI 16-CC	6.1 knots	N/A	48.2 [NE]	29° 11' 11.12" N	90° 1' 26.81" W	AIS	
2014-02-21	23:59:45 CST	1.73 miles W of Platform GI 16-CC	6.2 knots	N/A	56.8 [NE]	29° 11' 14.19" N	90° 1' 22.09" W	AIS	
2014-02-22	00:00:45 CST	1.67 miles W of Platform GI 16-CC	6.4 knots	N/A	59.1 [NE]	29° 11' 17.68" N	90° 1' 16.32" W	AIS	
2014-02-22	00:01:45 CST	1.61 miles NW of Platform GI 16-CC	6.3 knots	N/A	63.6 [NE]	29° 11' 20.78" N	90° 1' 9.93" W	AIS	
2014-02-22	00:02:45 CST	1.57 miles NW of Platform GI 16-CC	6.3 knots	N/A	63.6 [NE]	29° 11' 24.13" N	90° 1' 3.95" W	AIS	

app.portvision.com/Reports/VesselPosition.aspx?vid=3261&bd=2/22/2014 5:32:25 AM&edt=2/23/2014 5:32:25 AM&tz=-11

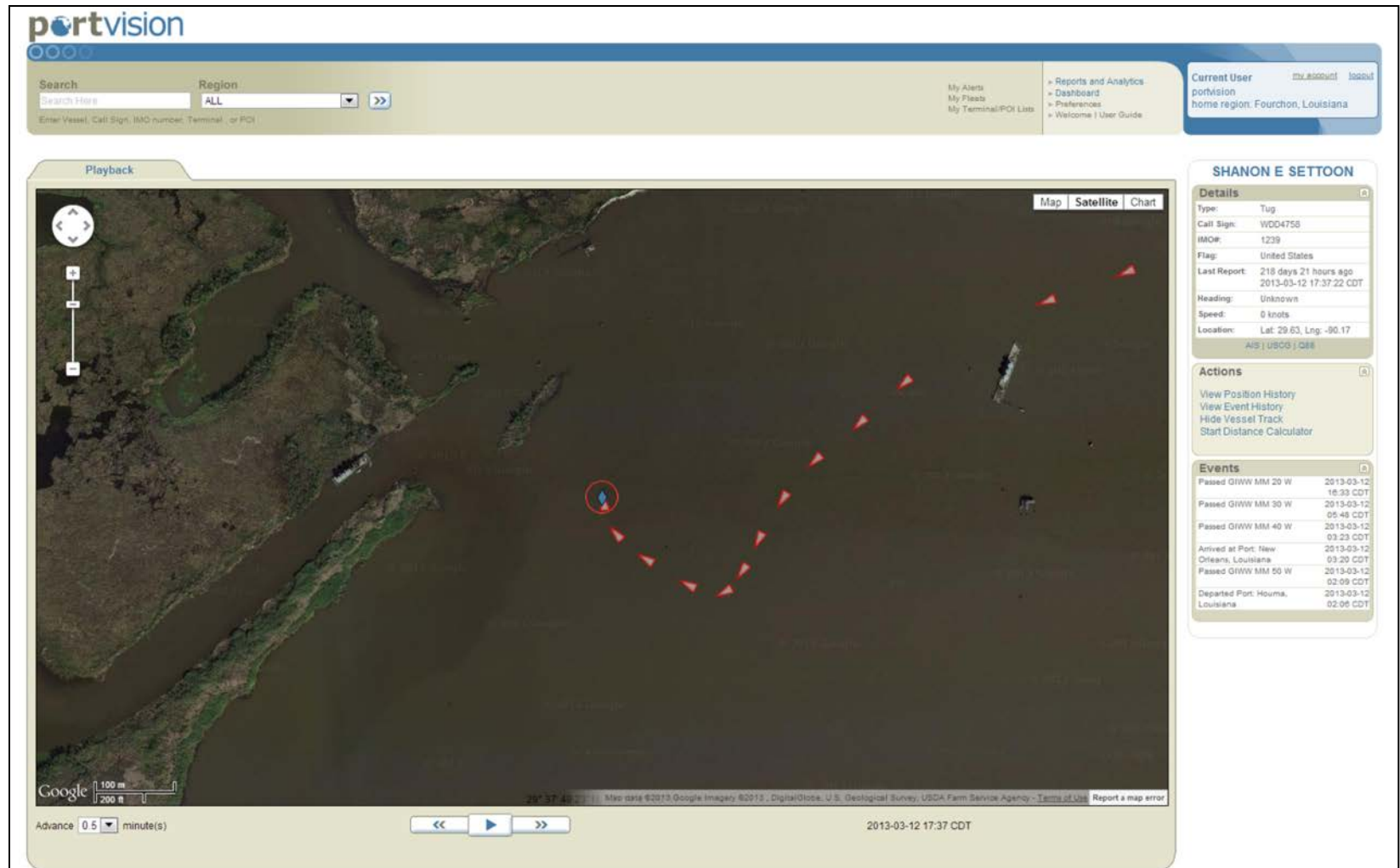


Case Study: MIDNIGHT STAR vessel track over pipeline



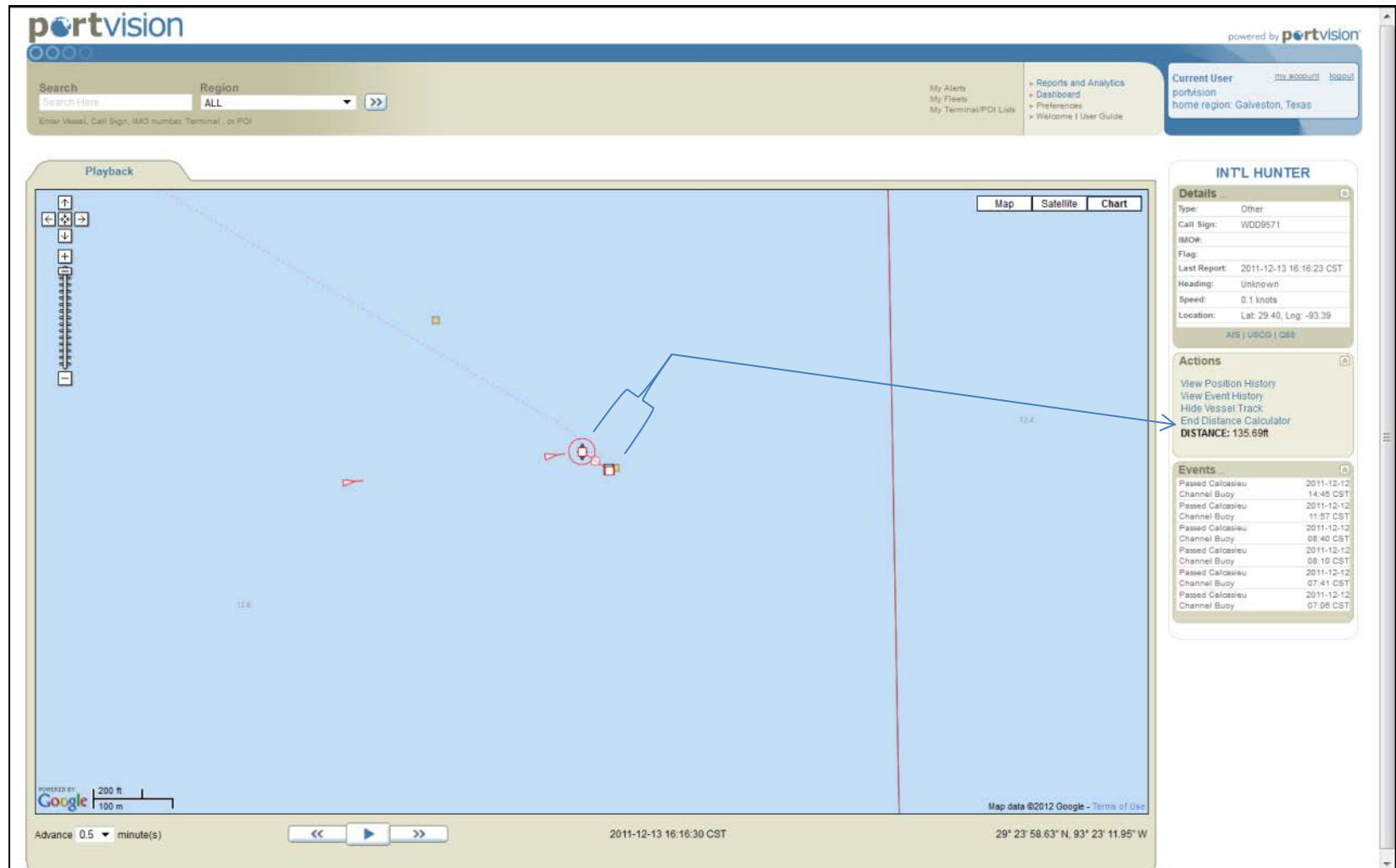


Case Study: Vessel that hit submerged pipeline resulting in explosion and fatality





Case Study: Court case involving a vessel that hit a damaged submerged well





What's Next

- Additional Data Layers
 - Survey data
 - Pipeline coverage
 - Weather
 - Radar
- Dashboard
- Reporting tools



Contact Information



www.portvision.com



Jason Tieman

Director Maritime Operations
PortVision/Oceaneering

1.713.337.3737

jtieman@oceaneering.com

What Sets Kinetica Apart?

What Sets Kinetica Apart?

- ✦ *Kinetica has contracted with Port Vision to prevent damage to its lines from anchors and other marine hazards, to avoid potential shut-ins*
- ✦ *Kinetica completes new connections within 30 to 45 days*
- ✦ *Kinetica does not add overhead costs to new interconnects*
- ✦ *Kinetica provides more detailed and accurate cost estimates by using vendor supplied costs*
- ✦ *Kinetica has a robust corrosion program for painting, pigging, and preventive maintenance*
- ✦ *Kinetica pursues all gas/condensate connections, regardless of volume*
- ✦ *Kinetica employee's have worked 208,486 man-hours since September 1, 2013 start-up with NO accidents or injuries. Kinetica has a pristine safety record*
- ✦ *Kinetica offers 6 NGL extraction options:*
 - ◆ *Barracuda, Cameron Meadows, Grand Chenier, Gueydan and Lirette (Pelican, Plaquemines, Gibson), Inlet to Discovery (Larose), Venice, Toca (Via American Midstream)*
- ✦ *Kinetica offers multiple delivery market options:*
 - ◆ *Discovery, TETCO, Transco, High Point, LIG-River Market, Columbia Gulf, Texas Gas, Florida Gas, NGPL and TGP*
- ✦ *Kinetica lives its values of Safety, Supply, Simplicity, Stability and Service*
- ✦ *Kinetica does not charge for fuel, company use, or LAUF*
- ✦ *Kinetica has added new outlet option to the River Market*

Future for Kinetica

Future Plans for Kinetica 2015–2016

- ✦ *Continued Safe and Reliable System Operation*
- ✦ *Complete Lirette Connection to LIG*
- ✦ *Customer Advisory Board*
- ✦ *Implementation of NGL Bank*
- ✦ *Potential Bridgeline Connection in Cameron Parish*
- ✦ *Deep Water Plan*
- ✦ *Growth Opportunities*
- ✦ *Facility Enhancements*