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Phone: 306.777.9489
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2007 August 14

TO: TransGas Customers

**TRANSGAS LIMITED
NOTICE TO POTENTIAL SHIPPERS/CUSTOMERS
EXPORT SERVICE OFFERING AT HERBERT, SUCCESS AND SHACKLETON**

TransGas Limited (TransGas) hereby announces an Open Season for transportation services from the TransGas Energy Pool (TEP) to TCPL at Herbert, Success and Shackleton. This Open Season is being conducted pursuant to the terms and conditions contained within The TransGas Comprehensive Tariff (a copy of which is available on the TransGas website, www.transgas.com) and the terms and conditions set out herein. This Open Season will allow TransGas to continue to provide the benefit of TCPL export points downstream of Bayhurst to TransGas' export shippers. A similar Open Season was held last year for these transportation services. This service will allow customers to take advantage of transport and fuel gas savings on TCPL with no incremental cost to TransGas. The Open Season is available to all Shippers.

TransGas expects to be able to offer some seasonal (summer season) service via a subsequent Open Season during Feb 2008.

The capacities and terms that are available under the terms of this Open Season letter are as follows:

Delivery Location	Transportation Capacity	Renewal Rights	Effective Date	End Date
Success – Yearly	60 TJ/d	No Renewal Rights	November 1, 2007	November 1, 2008
Success – Monthly	Up to 70 TJ/d*	No Renewal Rights	Month to Month	November 1, 2008
Herbert – Yearly	5 TJ/d	No Renewal Rights	November 1, 2007	November 1, 2008
Herbert – Monthly	Up to 20 TJ/d*	No Renewal Rights	Month to Month	November 1, 2008
Shackleton – Yearly	40 TJ/d	No Renewal Rights	November 1, 2007	November 1, 2008
Shackleton - Monthly	Up to 10 TJ/d*	No Renewal Rights	Month to Month	November 1, 2008

* These delivery capacities will be determined by TransGas on a monthly basis.

The yearly transportation service from TEP to TCPL at **Success, Herbert and Shackleton**:

- will be allocated to all parties expressing an interest on an equal share basis (capacity available divided by the number of interested parties);
- will not be evergreening; and
- will be re-allocated each year through subsequent open season processes.

The month-to-month transportation service from TEP to TCPL at **Success** will be:

- offered monthly to the parties holding the Success yearly service on an equal share basis.

Parties can decline some or all of the incremental monthly capacity offered, which may then be offered, at TransGas' discretion, to the other parties holding Success yearly export service.

The month-to-month transportation service from TEP to TCPL at **Herbert** will be:

- offered monthly to the parties holding the Herbert yearly service on an equal share basis.

Parties can decline some or all of the incremental monthly capacity offered, which may then be offered, at TransGas' discretion, to the other parties holding Herbert yearly export service.

The month-to-month transportation service from TEP to TCPL at **Shackleton** will be:

- offered monthly to the parties holding the Shackleton yearly service on an equal share basis.

Parties can decline some or all of the monthly capacity offered, which may then be offered, at TransGas' discretion, to the other parties who have expressed an interest in Shackleton export service.

All customer requests received during this Open Season will be assigned the same queue position, i.e. there will be no priority allocation among these requests, as described in the Queue Procedure in the Tariff. TransGas will not accept applications for service submitted after the Open Season; rather, TransGas will conduct subsequent Open Seasons for any capacity available at these export points. Open Season requests will be considered as official service requests. No Open Season queue deposit will be required as service will be offered shortly after the close of the Open Season. Once the interest in the yearly service offering at Herbert, Success and Shackleton has been determined, capacity will be allocated and customers will be contacted with regards to the capacity that TransGas can allot to them. At this point, Parties can decline the allotted capacity, which may then be offered at TransGas' discretion, to the other Open Season participants.

This service offering for export transportation will be contracted under standard TransGas export rates. Customers should be aware that there is a 10% premium attached to the short-term (less than one year) export service. Customers may also transfer existing E-11 contracts that have standard export delivery points on a yearly or a monthly basis.

The Open Season commences at 8:00 a.m. CDT on 2007 August 15 and will close at 4:00 p.m. CDT on 2007 September 10.

If you have any questions/concerns, or would like to discuss the implications of this Open Season offering for your natural gas transportation portfolio, please contact your Key Account Manager, Chris Uhren at (306) 777-9501 or Wendy Uytterhagen at (306) 777-9687.

Open Season requests should be submitted via a completed Offer Sheet (attached), and can be faxed, couriered or e-mailed to TransGas at the following addresses/phone number:

Attention: Barry Ell, Manager, Customer Facility Requests
TransGas Limited
500 – 1777 Victoria Avenue
Regina SK S4P 4K5
Fax: (306) 525-3422
E-mail: ell@transgas.com

Kindest regards,



Barry Ell
Manager, Customer Facility Requests
2007 Yearly Open Season Offer Letter - Herbert-Success-Shackleton.doc

Offer Sheet

TRANSPORTATION SERVICE FROM TEP TO HERBERT, SUCCESS & SHACKLETON

In addition to the following terms and conditions, the Open Season will be subject to the TransGas Tariff.

ELIGIBILITY: All TransGas Shippers
EFFECTIVE DATE: November 1, 2007
SERVICE: Transportation Service from TEP to TCPL at Success, Herbert and Shackleton on a yearly basis and on a month-to-month basis when capacity is available.

Delivery Location	Transportation Capacity	Renewal Rights	Effective Date	End Date
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* These delivery capacities will be determined by TransGas on a monthly basis.

CUSTOMER TO COMPLETE THE FOLLOWING SECTIONS:

I am interested in being offered a portion of the available yearly and monthly service from TEP to TCPL at **Success**.

My maximum allocated request at **Success** is _____ GJ/d.

I am interested in being offered a portion of the available yearly and monthly service from TEP to TCPL at **Herbert**.

My maximum allocated request at **Herbert** is _____ GJ/d.

I am interested in being offered a portion of the available yearly and monthly service from TEP to TCPL at **Shackleton**.

My maximum allocated request at **Shackleton** is _____ GJ/d.

_____ (Company Name) on this ____ day of _____

_____ herein accepts the terms described in this Open Season letter dated August 14, 2007, and commits to a formal request position for the above described service.

Company Name – print

Per: _____ (corporate seal)

Signature

 (printed name)

 (title)

(If no Corporate Seal is affixed, I hereby warrant in favor of TransGas that I have authority to sign this Offer Sheet).