

GAS SALES AGREEMENT

THIS AGREEMENT made this 20th day of February, 2023 by and between MID AMERICAN NATURAL RESOURCES, L.L.C., 558 West 6th St, Suite 300, Erie, PA 16507, hereinafter "Seller", and, WATTSBURG AREA SCHOOL DISTRICT, 10782 WATTSBURG RD., ERIE, PA 16509, hereinafter called "Buyer".

WITNESSETH:

WHEREAS, Seller is engaged in the business of marketing natural gas; and

WHEREAS, Buyer desires to purchase natural gas from and Seller desires to sell natural gas to Buyer in accordance with the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the covenants and promises herein contained, the parties hereto agree as follows:

ARTICLE I

Supply of Gas

Seller agrees to use its best efforts to supply that amount of natural gas that Buyer wishes to purchase. Buyer acknowledges that any usage that is less than 90% of contracted quantities or greater than 110% of Buyer's contracted quantities as outlined below for any one month may have to be purchased/sold on a spot basis and charged/credited to Buyer at a rate that is different than this agreement. Buyer agrees to purchase 100% of his natural gas needs from Seller.

SEP 23 – 188 DTH	OCT 23 – 522 DTH	NOV 23 - 974 DTH	DEC 23 - 1,362 DTH
JAN 24 – 1,681 DTH	FEB 24 – 1,687 DTH	MAR 24 – 1,141 DTH	APR 24 – 788 DTH
MAY 24 – 374 DTH	JUN 24 – 123 DTH	JUL 24 – 95 DTH	AUG 24 – 93 DTH

ARTICLE II

Force Majeure

(A) If either Buyer or Seller is rendered unable, wholly or in part, by force majeure to perform its obligations under this Agreement, it is agreed that performance of the respective obligations of the parties hereto to deliver and receive gas, so far as they are affected by such force majeure, shall be suspended from the inception of any such inability until it is corrected. The party claiming such inability shall give notice thereof to the other party as soon as practicable after the occurrence of the force majeure. If such notice is first given by telephone or radio communication, it shall be confirmed promptly in writing giving full particulars. The party claiming such inability shall promptly correct, or cause to be corrected, such inability to the extent it may be corrected, through the exercise of reasonable diligence.

(B) Neither party shall be liable to the other for any direct or indirect losses or damages, regardless of the nature thereof and howsoever attributable to the suspension of performance of any obligation of either party to the extent that such suspension occurs because a party is rendered unable, wholly or in part, by force majeure to perform its obligations.

(C) The term "force majeure" as used herein shall mean any occurrence, condition, situation or threat thereof which renders either party unable to perform, its obligations hereunder, provided that such occurrence, situation or threat thereof is not under or within the control of the party claiming such inability, and provided such party could not have prevented such occurrence, condition, situation or threat thereof, by exercise of reasonable diligence. The term "force majeure" as used herein shall include, without limitation, the following, insofar as same shall directly or indirectly contribute to, or result in, either party's inability to perform its obligations hereunder: (1) Acts of God or Acts of Providence; (2) Acts of Government; (3) Acts of Civil Disorder; (4) Acts of Industrial Disorder, including without limitation, strikes, lockouts, and picketing, provided, however, that settlement of any labor dispute shall be at the sole discretion of the party hereunder involved in such labor dispute. Requirements that any inability shall be corrected with reasonable diligence and shall have been incapable of prevention by exercise of reasonable diligence, shall not apply to acts of industrial disorder, strikes, lockouts, or picketing; (5) Failures of facilities including, without limitation, freezing of wells, lines of pipe, or any other facilities, failures resulting from fires, washouts, mechanical breakdowns of, malfunctions of, or necessity of making repairs or alterations to, plant, installations, machinery, lines of pipe, pumps, measuring equipment, compressors, valves, gauges or any of the equipment therein or thereon, or any other facilities, blowout, or failure of any well or wells to produce.

ARTICLE III

Gas Quality

Seller's gas shall meet the minimum requirements of National Fuel Gas Distribution Co.

ARTICLE IV

Price and Payment Terms

Buyer shall pay Seller for each dekatherm of gas (Dkth) delivered to Buyer's local distribution company, the monthly NYMEX settle plus \$0.28 for the months of September 2023 through August 2024, which is the applicable "basis" for the term of this agreement. Buyer shall have full trigger rights for any portion of the term. Once Buyer has chosen to trigger a price, the triggered volumes will be firm deliveries. Buyer agrees to pay Seller no later than the 25th of the month for all gas delivered to Buyer's account during the previous month.

ARTICLE V

Financial Terms

If MANR has reasonable grounds for insecurity regarding the performance of any obligation under this Contract (whether or not then due) by Buyer (including, without limitation, the occurrence of a material change in the creditworthiness of WATTSBURG AREA SCHOOL DISTRICT or its Guarantor, if applicable), MANR may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to MANR, including, but not limited to cash, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or guaranty. Buyer hereby grants to MANR a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Buyer to MANR pursuant to this Section. Upon the return by MANR to Buyer of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.

ARTICLE VI

Delivery

Seller shall deliver natural gas hereunder to Buyer at the designated National Fuel Distribution Co. delivery point. Title to said gas shall pass to Buyer at said delivery point. The Buyer shall pay any and all charges incurred by the delivery of this gas, such as L.D.C. transportation charges, line loss, or taxes of any nature.

ARTICLE VII

Measurement

All gas delivered by Seller to Buyer shall be measured by the local distribution company and accepted as reported by both parties.

ARTICLE VIII

Warranty of Title

Seller warrants the title to all gas delivered to Buyer under this agreement and shall indemnify and save harmless Buyer from all suits, actions, accounts, costs, losses and expenses, including attorneys' fees, arising from or connected with the adverse claim of any person to the gas received, transported or delivered hereunder.

ARTICLE IX

Term

This agreement shall be effective as of September 2023 and will continue for a period of twelve (12) months.

ARTICLE X

Taxes

It is understood by both parties that gas herein in being purchased by Buyer and that the above quoted price does not include sales, gross receipts, or import tax (if applicable) and that Buyer agrees to pay any sales tax due as a result of this transaction (or supply a valid tax exempt form) or any other tax that is now in effect, is put into effect, or is deemed to applicable by a state or federal agency.

ARTICLE XI

Government Regulation

This agreement, insofar as it is affected thereby, shall be subject to all present and future, valid and applicable laws and to the valid, applicable, present and future rules and regulations and orders of any regulatory agency or authority. Such rules, orders and regulations shall include those of the Pennsylvania Public Utility Commission, as well as any other agencies or duly constituted authorities having jurisdiction.

ARTICLE XII

Miscellaneous Provisions

12.01 This agreement is binding upon and will 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 Agreement shall run for the full term of this Agreement. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party which consent will not be unreasonably withheld or delayed: provided, either party may transfer its interest to any parent or affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any transfer and assumption, the transferor shall not be relieved of or discharged from any obligations hereunder.

12.02 This agreement sets forth the entire understanding of the parties and no modification of its terms and provisions shall be or become effective except as set forth and confirmed in writing by the parties hereto.

12.03 No waiver by any party of any one or more defaults by the other in performance of any provisions of this agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or different character.

12.04 This agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

12.05 Mid American’s PA PUC Natural gas license number is A-2021-3027636

12.06 Any invoices to Buyer not paid in full by the 25th of the month as required above in Article IV shall accrue a 1.5% service charge per month on the unpaid balance until paid in full.

12.07 Buyer’s failure to make timely payments on these invoices as required above in Article IV shall entitle Seller to discontinue providing gas to Buyer.

12.08 In the event of buyer’s default in payment of any obligations hereunder, Buyer shall be responsible for Seller’s attorney’s fees and court costs incurred in enforcing its rights under this Agreement. No such fees or costs shall become the responsibility of Buyer, however, unless a ten (10) day written notice of demand has been delivered to Buyer by certified mail or hand delivery.

13.0 Contact Information

<u>Mid American Natural Resources, L.L.C.</u> 558 West 6 th St., Suite 300 Erie, PA 16507 (814) 455-2761 email: info@manrenergy.com	<u>National Fuel Gas Distribution Corp.</u> 6363 Main Street Williamsville, NY 14221-5887 In case of a gas emergency, you may call NFG at 800-634-5440	<u>Public Utility Commission (PUC)</u> 400 North Street Harrisburg, PA 17120 Website: https://www.puc.pa.gov/
--	---	--

IN WITNESS WHEREOF, and intending to be legally bound, Buyer and Seller have caused this Agreement to be properly executed this 20 day of February, 2023.

Wattsburg Area School District
Buyer

By

Title

Date

Mid American Natural Resources, L.L.C.
Seller

By

Title

Date

**TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY**

Mid American Natural Resources, L.L.C.
558 West 6th st.
Suite 300
Erie, PA 16507

Date: January 18, 2023
Transaction Confirmation#: 2023-00-0110
Access ID #: 26928 & 26929

SELLER: Mid American Natural Resources, L.L.C.

Address: 558 West 6th St.
Suite: 300
City: Erie State: PA
Zip Code: 16507
Attn: Confirmation Department
Phone: 814-455-2761
Fax: 814-455-3153

BUYER: Wattsburg Area School District

Address: 10782 Wattsburg Road
Suite:
City: Erie State: PA
Zip Code: 16509
Attn: Vicki Bendig
Phone: 814-824-3400
Fax: 814-824-5200

Contract Price: Fixed at \$4.89 per DTH

Performance Obligation: FIRM

Term: Start: March 1, 2023

End: August 31, 2024

*Monthly Volume:	983 DTH	Mar 23	188 DTH	Sep 23	1,141 DTH	Mar 24
	680 DTH	Apr 23	522 DTH	Oct 23	788 DTH	Apr 24
	461 DTH	May 23	974 DTH	Nov 23	374 DTH	May 24
	87 DTH	Jun 23	1,362 DTH	Dec 23	123 DTH	Jun 24
	63 DTH	Jul 23	1,681 DTH	Jan 24	95 DTH	Jul 24
	80 DTH	Aug 23	1,687 DTH	Feb 24	93 DTH	Aug 24

Delivery Point(s): National Fuel Gas-PA; Various RBA Account #'s

Comments/Special Conditions:

This confirmation acts as an extension to the Gas Sales Agreement (Confirmation #2021-00-0123 & 2023-00-0109).

***Hedged volumes are Firm, non-recallable.**

Please execute and return this agreement; we will return a fully executed copy for your records.

The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business days of receipt unless otherwise specified.

Seller: Mid American Natural Resources, L.L.C.

By: _____

Title: _____

Date: _____

Buyer: Wattsburg Area School District

By: _____

Title: _____

Date: _____