

FIRST SUPPLEMENT TO THE LONGHORN MITIGATION PLAN

Longhorn Partners Pipeline, L.P. ("Longhorn") submits the following First Supplement to The Longhorn Mitigation Plan:

1. Longhorn Mitigation Commitment No. 39 is supplemented by adding the following language immediately after the end of said Commitment:

Any changes or modifications proposed by Longhorn to The Longhorn Mitigation Plan shall be for the purpose of adapting to changing technology and circumstances. Changes or modifications will not be proposed for any purpose that would be contrary to Longhorn's Continuing Integrity Commitment set out in Section 3.2.14 hereof that the integrity of the Longhorn pipeline will continue to be maintained and the environment will continue to be protected at levels which are equivalent to those adopted by Longhorn at the start up of its pipeline, judged, at all times, by industry accepted and proven standards (as the same may change and improve over time). At the time Longhorn submits any proposed changes or modifications to the Longhorn Mitigation Plan for DOT/OPS review and approval, the proposed changes or modifications along with Longhorn's justifications therefor shall (a) be made available to the public by posting the same on the Longhorn corporate Internet website and (b) be provided to the General Manager of the Lower Colorado River Authority and to the Mayors of Houston, Austin, and El Paso. The Longhorn Mitigation Plan, and associated Pipeline System Integrity Plan and Operational Reliability Assessment, shall be considered part of Longhorn's written procedures for conducting normal operations and maintenance activities, as specified under 49 C.F.R. § 195.402 and any violation of the Longhorn Mitigation Plan is subject to enforcement under 49 C.F.R. Part 190.

2. The following new Mitigation Commitment No. 40 shall be added to the Longhorn Mitigation Plan:

Longhorn will monitor or cause to be monitored the river gauge at the Pedernales River. When the river stage reaches 100,000 cfs at the gauge, Longhorn will immediately shut down the pipeline until the river has receded below the action level (100,000 cfs) at the gauge. Longhorn personnel are to make an inspection of the pipeline at the river crossing and any related facilities that could have been damaged by the flood event to determine whether it is safe to commence flowing products through the pipeline again. If any damage is discovered that requires repair before pipeline operations can be safely resumed, those damages will be repaired before operations are resumed.