

Exhibit A

Application of Magnolia LNG LLC for Limited Amendment to Authorization Granted Under
Section 3 of the Natural Gas Act
FERC Docket No. CP19-19-000

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

Magnolia LNG, LLC

)

Docket No. CP19-____-000

**NOTICE OF APPLICATION TO AMEND AUTHORIZATION
UNDER SECTION 3 OF THE NATURAL GAS ACT**

(November ____, 2018)

Take notice that on November 15, 2018, Magnolia LNG, LLC (“Magnolia LNG”), 1001 McKinney, Suite 600, Houston, Texas 77002, filed an application in Docket No. CP19-____-000, pursuant to Section 3(a) of the Natural Gas Act, 15 U.S.C. §717b, and Part 153 of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”), 18 C.F.R. Part 153, for a limited amendment to the authorization granted by the Commission on April 15, 2016, in Docket No. CP14-347-000. Through its limited amendment application, Magnolia LNG seeks authorization from the Commission to increase the total liquefied natural gas production capacity of its liquefaction project from the currently authorized 8 million tonnes per annum (“MTPA”) to 8.8 MTPA, or 1.4 billion cubic feet per day.

Any questions regarding the application should be directed to: Kinga Doris, Magnolia LNG, LLC, 1001 McKinney, Suite 600, Houston, Texas 77002, (713) 815-6921; or David L. Wochner, K&L Gates LLP, 1601 K Street, N.W., Washington, DC 20006, (202) 778-9000, David.Wochner@klgates.com.

This filing is available for review at the Commission’s Washington, D.C. offices, or may be viewed on the Commission’s website at <http://www.ferc.gov> using the “e-Library” link. Enter the docket number, excluding the last three digits, in the docket number field to access the document. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov, or call toll-free at (866) 208-3676, or for TTY, contact (202) 502-8659.

There are two ways to become involved in the Commission’s review of this Project. First, any person wishing to obtain legal status by becoming a party to the proceeding for this project should file with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, D.C. 20426, a motion to intervene in accordance with the requirements of the Commission’s Rules of Practice and Procedure, 18 C.F.R. §§ 385.214, 385.211, by the comment date below. A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission, and will receive copies of all documents filed by the applicant and by all other parties. A party must submit filings made with the Commission by mail, hand delivery, or internet, in accordance with Rule 2001 of the Commission’s Rules of Practice and Procedure, *id.* § 385.2001. A copy must be served on every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Protests and interventions may be filed electronically via the Internet in lieu of paper; see 18 C.F.R. §385.2001(a)(1)(iii) and the instructions on the Commission's website under the "e-filing" link. The Commission strongly encourages electronic filings.

If the Commission decides to set the application for a formal hearing before an Administrative Law Judge, the Commission will issue another notice describing that process. At the end of the Commission's review process, a final Commission order approving or denying the requested authorization will be issued.

Comment Date: _____

Kimberly D. Bose
Secretary

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

MAGNOLIA LNG LLC¹

)

DOCKET NO. CP19-____-000

**APPLICATION OF MAGNOLIA LNG LLC FOR LIMITED AMENDMENT TO
AUTHORIZATION GRANTED UNDER SECTION 3 OF THE NATURAL GAS ACT**

Pursuant to Section 3(a) of the Natural Gas Act (“NGA”)² and Part 153 of the Federal Energy Regulatory Commission (“FERC” or “Commission”) regulations,³ Magnolia LNG LLC (“Magnolia LNG”) hereby submits this application (“Application”) for a limited amendment to the authorization that the Commission granted to Magnolia LNG on April 15, 2016, in Docket No. CP14-347-000 (“Authorization”).⁴ In the Authorization, the Commission authorized Magnolia LNG to site, construct, and operate facilities for the liquefaction and export of liquefied natural gas (“LNG”) at a facility near Lake Charles, Calcasieu Parish, Louisiana (“Magnolia LNG Project”). Through this Application, Magnolia LNG requests that the Commission amend its Authorization to increase the authorized total LNG production capacity of the Magnolia LNG Project from 8 million metric tons per annum (“MTPA”) to 8.8 MTPA.⁵

Magnolia LNG respectfully requests that FERC issue an order approving this Application by March 31, 2019.

In support of this Application, Magnolia LNG respectfully states as follows:

¹ Magnolia LNG notes that the official name of the company is Magnolia LNG LLC (with no comma between LNG and LLC). The original authorization docket, CP14-347-000, incorrectly identified the company as Magnolia LNG, LLC.

² 15 U.S.C. § 717b(a).

³ 18 C.F.R. Part 153.

⁴ *Magnolia LNG, LLC*, 155 FERC ¶ 61,033 (2016), *reh’g denied*, 157 FERC ¶ 61,149 (2016).

⁵ The proposed 8.8 MTPA is equivalent to 1.4 billion cubic feet per day (“Bcf/d”) and 483 billion cubic feet per year.

I. COMMUNICATIONS AND CORRESPONDENCE

Correspondence and communications regarding this Application should be addressed to the following and those designated with an (*) should be designated as the agent for service for Magnolia LNG:

Ms. Kinga Doris
General Counsel and Corporate Secretary
Magnolia LNG LLC
1001 McKinney, Suite 600
Houston, TX 77002
Tel: 713.815.6921
Fax: 713.815.6905
KDoris@lnglimited.com

David L. Wochner*
Sandra E. Safro*
Michael L. O'Neill*
K&L Gates LLP
1601 K Street, N.W.
Washington, DC 20006
Tel: 202.778.9000
Fax: 202.778.9100
David.Wochner@klgates.com
Sandra.Safro@klgates.com
Mike.ONeill@klgates.com

II. DESCRIPTION OF THE APPLICANT

The exact legal name of the applicant is Magnolia LNG LLC, a limited liability company organized under the laws of Delaware, and a wholly owned indirect subsidiary of Liquefied Natural Gas Limited ("LNG Limited"). Magnolia LNG's principal place of business is 1001 McKinney, Suite 600, Houston, Texas, 77002. LNG Limited is a publicly listed Australian company with the objective of identifying and developing LNG projects in the United States and in other countries. For example, LNG Limited is in the process of developing the Bear Head LNG project, an 8 MTPA LNG export terminal proposed for Nova Scotia, Canada.

In addition to being publicly listed on the Australian Securities Exchange, LNG Limited has arranged for the quotation of its American Depositary Receipts on the OTC International platform in the United States, which enables qualifying non-U.S. companies to have direct exposure to the U.S. investment community.

III. BACKGROUND

On April 15, 2016, the Commission issued the Authorization which approved Magnolia LNG's application to site, construct, and operate the Magnolia LNG Project. The Authorization approved liquefaction facilities with a maximum operating capacity that allows the export of up to 8 MTPA of LNG, equivalent to an operating capacity of up to approximately 1.4 Bcf/d in feed gas pipeline receipts. In addition to LNG export operations, the Magnolia LNG Project as approved by the Authorization will have facilities to load LNG onto trucks, barges, and carriers for domestic distribution.

The Magnolia LNG Project includes two full containment LNG storage tanks with 160,000 cubic meters of LNG storage capacity, four LNG liquefaction trains, LNG vessel berthing, mooring, and loading facilities, and LNG truck loading facilities. The Magnolia LNG Project will be located on an approximately 115-acre plot zoned for heavy industrial use near Lake Charles, Louisiana.

IV. DESCRIPTION OF PROPOSAL

Magnolia LNG is requesting authorization to increase the authorized LNG production capacity of the Magnolia LNG Project from 8 MTPA to 8.8 MTPA, or 1.4 Bcf/d, which is the estimated maximum LNG production for the Magnolia LNG Project as Magnolia LNG refines its final design.⁶ Magnolia LNG is not requesting any increase in the feed gas rates to the

⁶ Magnolia LNG submits that the Commission's pre-filing requirements do not apply to this proposal. FERC's rules mandating pre-filing for LNG projects apply to "prospective applicants for authorization to site, construct and operate" an LNG terminal or "when the Director finds ... that prospective modifications to an existing LNG terminal are modifications that involve significant state and local safety considerations that have not been previously addressed." 18 C.F.R. §§ 153.12 and 157.21(a). Magnolia LNG is not a "prospective applicant" proposing to site, construct, and operate an LNG terminal in this proceeding because the Commission already has issued the Authorization approving the Magnolia LNG Project. This Application does not propose modifications to an LNG terminal project that would implicate significant state and local safety considerations that the Commission has not addressed previously. Rather, this

facility, which remains unchanged at 1.4 Bcf/d. The increased LNG production capacity that Magnolia LNG is requesting in this Application reflects an improved LNG production profile that utilizes more of the feed gas capacity that FERC approved in the Authorization.⁷ Magnolia LNG based its initial calculation of nameplate capacity on conservative design and operating assumptions and that preliminary estimate represented a conservative nominal capacity during one year of operating conditions.

During the final design process, Magnolia LNG and its construction partners have optimized the design to improve the liquefaction process. This optimization process has resulted in an increase in the maximum total LNG that the Magnolia LNG Project will be capable of producing each year. Therefore, Magnolia LNG is seeking to align the approved export volume of the Authorization with the maximum liquefaction capacity for the optimized Magnolia LNG Project. This Application does not propose any additional construction.

Specifically, through further refinement of the engineering and design of the liquefaction process, Magnolia LNG has completed:

- Final selection of the mixed refrigeration (“MR”) compressor and associated gas turbine. Using a Siemens SGT-750 gas turbine, Magnolia LNG can increase the available refrigeration power while lowering the NOx emissions and remaining within the original footprint used in the front-end engineering design.
- Optimization of the MR circuit. With the additional power made available from the gas turbine, it is possible to deliver more refrigerant to the cold box and

Application proposes to align the maximum LNG output with the optimized design of the Magnolia LNG Project that the Commission approved. The Commission has not required other LNG project developers proposing similar LNG output adjustments to participate in the pre-filing process. *Freeport LNG Development, L.P.*, 156 FERC ¶ 61,019 (2016); *Sabine Pass Liquefaction, LLC*, 146 FERC ¶ 61,117 (2014).

⁷ Authorization at P. 5.

therefore liquefy more gas at a colder temperature. The optimizations did not increase any design pressures or design temperatures of the equipment.

- Reduction in Boil Off Gas from Storage Tanks. Optimization of the design has resulted in colder LNG exiting the cold box, and therefore less boil off gas generated from the LNG storage tanks. This refinement reduces the cooling load on the cold box and allows an increase in the gas feed into the cold box, and subsequent increase in LNG flowing out.
- Sizing of equipment and piping. Magnolia LNG has finalized the sizing of equipment and piping to minimize pressure drop, increase efficiency and otherwise optimize the equipment and systems to perform as required throughout the operating range of each LNG train. Magnolia LNG has identified certain process bottlenecks and eliminated them as appropriate. This optimization has resulted in more LNG production by utilizing the capacity of the whole system.

These changes do not impact Magnolia LNG's existing permits. Magnolia LNG will remain in full compliance with applicable air emissions, safety, and other environmental permits and compliance programs already in place. The volumetric alignment proposed in this Application does not propose any construction and as a result, Magnolia LNG has not included any environmental reports with this Application.⁸

V. ENVIRONMENTAL

This Application does not request authorization for the construction of new facilities or the modification of facilities and equipment that the Commission considered and approved

⁸ In this regard, Magnolia LNG is following recent Commission precedent. FERC has approved similar applications that have not included environmental reports. *Freeport LNG Development, L.P.*, 156 FERC ¶ 61,019 (2016); *Sabine Pass Liquefaction, LLC*, 146 FERC ¶ 61,117 (2014).

previously in the Authorization. FERC already has evaluated thoroughly and approved the facilities at issue in this proceeding. Therefore, Magnolia LNG submits that there are no environmental impacts associated with this Application that the Commission has not already considered and, therefore, Magnolia LNG is not submitting environmental resource reports that FERC's regulations ordinarily require for NGA Section 3 applications.⁹

The United States Coast Guard's ("USCG") existing Letter of Recommendation ("LOR") for Magnolia LNG, and specifically the annual number of vessels analyzed by the USCG and authorized in the LOR,¹⁰ will be sufficient to accommodate the incremental LNG produced as a result of the optimization of the design and proposed in this Application. Therefore, there will be no additional environmental impacts from LNG vessel traffic that has not already been considered by the USCG and the Commission.

VI. GRANTING THIS APPLICATION IS IN THE PUBLIC INTEREST

The Commission should grant this Application to amend the Authorization to align the maximum LNG output from the optimized design for the Magnolia LNG Project with the LNG output FERC approved in the Authorization. The Commission already determined that the Magnolia LNG Project is not inconsistent with the public interest.¹¹ Approving this Application will support the Commission's previous determination and allow Magnolia LNG to continue its

⁹ *Id.*

¹⁰ The LOR approved LNG vessel traffic in the Calcasieu Ship Channel as proposed for the Magnolia LNG Project. *Magnolia LNG, LLC*, U.S. Coast Guard Letter of Recommendation, Docket No. CP14-347-000 (Mar. 13, 2015). As FERC described in its Final Environmental Impact Statement, the Magnolia LNG Project would accommodate up to 208 LNG vessels per year (104 LNG carriers and 104 LNG barges). *Magnolia LNG, LLC*, Final Environmental Impact Statement at p. 4-112, Docket No. CP14-347-000 (Nov. 13, 2015).

¹¹ Authorization at P. 24.

progress towards construction and commercial operation, which will allow Magnolia LNG to contribute to the local, regional, and national economies.

VII. OTHER RELATED APPLICATIONS

Magnolia LNG states that there are no other related applications that the Commission must consider in conjunction with this Application.¹² The U.S. Department of Energy previously authorized Magnolia LNG to export up to 8 MTPA of LNG to countries with which trade is not prohibited by U.S. law or policy and with which the United States has executed, or will execute in the future, free trade agreements (“FTA”) that require national treatment for trade in natural gas.¹³ The Department of Energy has also authorized Magnolia LNG to export up to 8 MTPA to countries with which the United States does not have an FTA in place requiring national treatment for trade in natural gas and with which trade is not prohibited by U.S. law or policy.¹⁴ Any export of LNG volumes in excess of the amount already approved is subject to additional approval by the U.S. Department of Energy Office of Fossil Energy. Magnolia LNG intends to file an application with the Department of Energy to reflect these proposed incremental increases in the near future.

VIII. REQUEST FOR EXPEDITED REVIEW

Magnolia LNG respectfully requests that the Commission issue an order granting this Application and the limited amendment to the Authorization described herein by April 1, 2019.

¹² Because the Magnolia LNG Project will not include facilities at the border of the United States with either Canada or Mexico and will not otherwise involve a physical interconnection between the United States and a foreign country, the Magnolia LNG Project does not require a Presidential Permit under the Commission’s regulations or pursuant to Executive Order 10485. 18 C.F.R. § 153.15(a).

¹³ *Magnolia LNG, LLC*, DOE/FE Order No. 3406 (2014); *Magnolia LNG, LLC*, DOE/FE Order No. 3245 (2013).

¹⁴ *Magnolia LNG, LLC*, DOE/FE Order No. 3909 (2016).

In order to process this Application expeditiously, Magnolia LNG also requests that the Commission establish a shortened notice period and require that protests, motions to intervene, and public comments be filed within ten (10) business days from the Commission's notice of this Application. Magnolia LNG also requests that the Commission consider this Application on an expedited basis and grant all authorizations and waivers that the Commission deems necessary to approve this Application.

Good cause exists to allow the shortened notice period and expedited action Magnolia LNG requests. This Application does not propose any construction activities so there are no environmental or landowner impacts that the Commission must consider in reviewing this Application. Furthermore, expedited action on this Application will clarify the FERC-approved capacity of the Magnolia LNG Project as Magnolia LNG continues to negotiate with potential customers for LNG offtake. Therefore, it is in the public interest to grant this request for expedited treatment because this request will not prejudice stakeholder interests.

IX. REQUIRED EXHIBITS

Magnolia LNG submits the following additional materials as exhibits as required by FERC's regulations at 18 C.F.R. § 153.8 to support this Application. To the extent that any required exhibits are omitted, Magnolia LNG requests that FERC regard the omitted material as inapplicable or otherwise unnecessary to describe the issues in this Application.¹⁵

Exhibit A § 153.8(a)(1)	Magnolia LNG incorporates by reference its Exhibit A submitted with the April 2014 application.
Exhibit B § 153.8(a)(2)	An explanation of financial and corporate relationships is included.

¹⁵ The Commission has accepted this approach in prior similar proceedings. *Freeport LNG Development, L.P.*, 156 FERC ¶ 61,019 (2016); *Sabine Pass Liquefaction, LLC*, 146 FERC ¶ 61,117 (2014).

Exhibit C § 153.8(a)(3)	An Opinion of Counsel regarding authorized powers is included.
Exhibit D § 153.8(a)(4)	Agreement for border interconnects is omitted because it is not applicable to this Application.
Exhibit E § 153.8(a)(5)	Detailed engineering and design information is omitted because it is not applicable to this Application.
Exhibit E-1 § 153.8(a)(6)	Report on earthquake hazards for LNG facilities is omitted because it is not applicable to this Application.
Exhibit F § 153.8(a)(7)	Environmental Report is omitted because it is not applicable to this Application.
Exhibit G § 153.8(a)(8)	Magnolia LNG incorporates by reference its Exhibit G submitted with the April 2014 application.
Exhibit H § 153.8(a)(9)	List of Federal Authorizations is omitted because it is not applicable to this Application.
<i>Federal Register</i> Notice	Form of notice suitable for publication in the <i>Federal Register</i> is attached.

X. CONCLUSION

For the reasons stated above, Magnolia LNG requests that the Commission grant this instant Application for a limited amendment to the Authorization in order to increase the maximum authorized LNG production capacity of the Magnolia LNG Project from 8.0 MTPA to 8.8 MTPA. Magnolia LNG respectfully requests that FERC grant this Application by March 31, 2019.

Respectfully submitted,

/s/ David L. Wochner

David L. Wochner

Sandra E. Safro

Michael L. O'Neill

Counsel for Magnolia LNG LLC

Exhibit A

Certified Copy of the Certificate of Formation of Magnolia LNG, LLC

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "MAGNOLIA LNG LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE THIRTEENTH DAY OF DECEMBER, A.D. 2012.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE NOT BEEN ASSESSED TO DATE.



5247530 8300

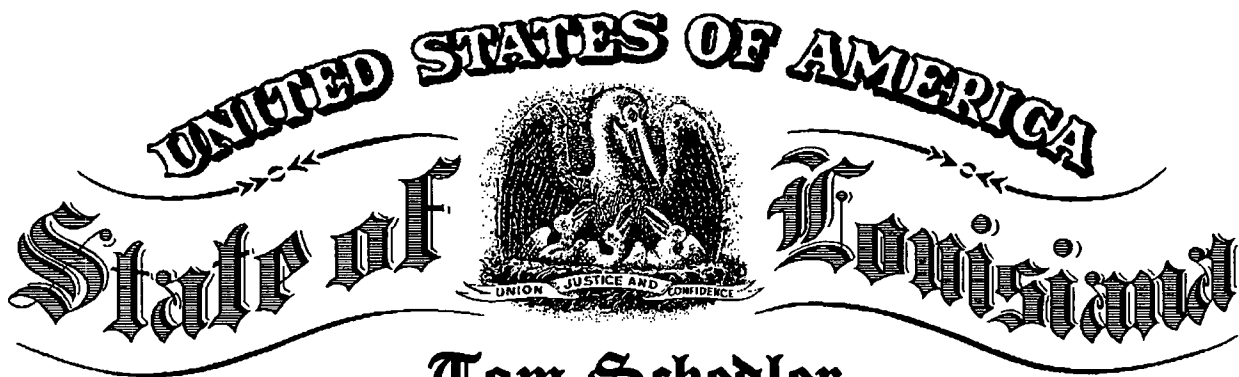
121334195

You may verify this certificate online
at corp.delaware.gov/authver.shtml

AUTHENTICATION: 0063128

Jeffrey W. Bullock, Secretary of State

DATE: 12-13-12



Tom Schedler

SECRETARY OF STATE

As Secretary of State of the State of Louisiana, I do hereby Certify that

the Application Form for Certificate of Authority of

MAGNOLIA LNG LLC

Domiciled at WILMINGTON, DELAWARE,

Was filed and recorded in this Office on December 13, 2012.

Thus authorizing the limited liability company to exercise the same rights and privileges accorded similar domestic limited liability companies, subject to the provisions of R. S. Title 12, Chapter 22, Part VIII.

In testimony whereof, I have hereunto set my hand and caused the Seal of my Office to be affixed at the City of Baton Rouge on,

December 13, 2012

Secretary of State

JL 41020525Q



Certificate ID: 10333137#VAE52

To validate this certificate, visit the following web site, go to **Commercial Division, Certificate Validation**, then follow the instructions displayed.
www.sos.louisiana.gov

**LIMITED LIABILITY COMPANY AGREEMENT
OF
MAGNOLIA LNG LLC
(a Delaware limited liability company)**

THIS IS THE LIMITED LIABILITY COMPANY AGREEMENT (together with any amendments or other modifications and supplements, and all exhibits and other attachments, to it, “this Agreement”) of MAGNOLIA LNG LLC, a Delaware limited liability company (the “Company”), dated as of December 4, 2012, and by which LNG INTERNATIONAL PTY LTD. (the “Member”), in consideration of the capital contributions to the Company and the promises set forth in this Agreement (the adequacy and sufficiency and receipt of which are hereby acknowledged), hereby agrees as follows:

1. **General.**

(a) **Formation & Term.** The Company was formed on December 4, 2012 by filing of Certificate of Formation with the Delaware Secretary of State pursuant to the Delaware Limited Liability Company Act, Delaware Code 1953 as amended Title 6, § 18-101 et seq. (as amended from time to time, the “DLLCA”). The term of the Company will continue until dissolved in accordance with this Agreement’s provisions or the DLLCA.

(b) **Applicability of the Delaware Limited Liability Company Act.** To the extent that the Member’s rights and obligations and the administration, dissolution, liquidation and termination of the Company are not set forth in this Agreement, such will be governed by the DLLCA. To the extent that this Agreement contains a provision contrary to a DLLCA provision that permits its being overridden by an operating agreement, such DLLCA provision is overridden by such contrary provision in this Agreement (whether or not expressly stated to do so in the applicable provision of this Agreement).

(c) **No Personal Liability of Members.** No Member, Manager, Officer (as defined below), employee or agent will have any personal liability to third parties for any debt, obligation, liability or loss of the Company, all as provided in, and subject to, the DLLCA.

(d) **Registered Office and Registered Agent.** The Company will maintain a registered office and registered agent in accordance with applicable law. The Member may change the registered office and registered agent from time to time in accordance with applicable law.

2. **Purpose.** The Company may engage in any lawful activity.

3. **Members.**

(a) **Generally.** The term “Member” means a person who either (i) signs this Agreement or (ii) is a transferee in accordance with Section 10, in each case until he ceases to be a Member in accordance with Subsection (c).

(b) Initial Member. The initial Member is LNG International Pty Ltd.

(c) Cessation of Membership. A Member will cease to be a Member upon the transfer of its interest in accordance with Section 10 (it being the intent that the foregoing are the only events by which one ceases to be a Member, those provisions of the DLLCA that specify other events in which one ceases to be Member being hereby overridden by the foregoing contrary provisions of this Agreement).

4. Capital Contributions and Percentage Interests. The Member's capital contribution is \$10,000.00, and its percentage interest in the Company (the "Percentage Interest") is 100%.

5. Allocation and Distributions. The Company's net cash flow and tax profits and losses will be allocated to the Member in accordance with the Percentage Interest. The Company will make distributions to the Member at such time and in such form and amount as the Manager may determine.

6. Management by the Manager.

(a) Generally. The Company is managed by one manager (the "Manager"). The initial Manager is Mr. Fletcher Maurice Brand. The Member may at any time and from time to time remove and replace, and otherwise fill a vacancy as to, the Manager. The Member (in its capacity as such) has no power or authority to bind or otherwise act on behalf of the Company.

(b) Powers of Manager. The Manager has the full power and authority to manage the business and affairs of the Company in accordance with this Agreement and the DLLCA, including the power to purchase, sell and lease property of any kind, to incur indebtedness and give security for such, to guarantee obligations of others, to execute documents and instruments on behalf of the Company, and to take all such actions as may be necessary or appropriate to carry out any action permitted by this Agreement or the DLLCA, either directly or through the Company's Officers, employees, agents and other delegates.

7. Officers. The Manager may appoint one or more individuals to act as officers of the Company ("Officers") on behalf of the Company. The initial Officers are as follows:

<u>Title</u>	<u>Name</u>
President	Mr. Fletcher Maurice Brand
Vice President	Mr. Ernest A. Megginson, Jr.
Vice President	Mr. Paul William Bridgwood
Treasurer	Mr. Norman Marshall
Secretary	Mr. David Michael Gardner

The Manager may at any time and from time to time remove and replace, and otherwise fill a vacancy as to any Officer. Each Officer will have such power and authority as are customarily delegated to persons holding equivalent titles in a corporation. Without limiting the foregoing, the President and the Vice Presidents will have authority to execute all documents and

instruments on behalf of the Company, and the Secretary will have authority to attest to all such actions.

8. **Duties of the Manager and Officers.**

(a) **Generally.** The Manager and each Officer, in managing the business or affairs of the Company, will act: (i) in a manner he believes in good faith to be in the best interests of the Company and (ii) with the care an ordinarily prudent person in a like position would exercise under similar circumstances. Except for the implied contractual covenant of good faith and fair dealing under applicable Delaware law, no Manager or Officer has any other duty to the Company, the Member or any other person that is a party to or is otherwise bound by this Agreement.

(b) **Override.** The provisions of this Agreement (including this Section 8 and Section 9) replace, eliminate and otherwise supplant those duties (including fiduciary duties) that a Manager or Officer might otherwise have under applicable law.

(c) **Transactions with Managers and Officers.** No Manager or Officer may enter into or amend the terms of any transaction or series of transactions between any of the following unless the transaction or amendment has been approved by the Member: (i) the Company and any Manager or affiliate of a Manager, or (ii) the Company and any Officer or affiliate of an Officer.

9. **Exculpation and Indemnification.** No Manager or Officer will be personally liable to the Company, any Member or any other person for monetary damages for any act or omission, including breach of contract or breach of duties (including fiduciary duties) of a Manager or Officer to the Company, any Member or any other person. The Company will indemnify, defend and hold harmless each Manager and Officer (each, while serving as such or while serving at Company's request as a director, manager, officer, partner, trustee, employee or agent of another foreign or domestic corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, being a "Company Indemnified Person") who by reason of being a Company Indemnified Person was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal or otherwise (including those brought by or in the right of the Company) to the fullest extent permitted under the DLLCA and applicable law; provided, however, that the foregoing obligations will not apply to the extent that the act or omission of the Company Indemnified Person involved either (i) any act or omission that constitutes a bad faith violation of the implied contractual covenant of good faith and fair dealing or (ii) any transaction for which the Company Indemnified Person received a personal benefit in violation or breach of any provision of this Agreement.

10. **Transfers Permitted.** The Member may transfer its interest in the Company to any person, and any transferee will succeed to the rights of the transferring Member and will become a Member of the Company.

11. **Dissolution.**

(a) **Events Causing Dissolution.** The Company will be dissolved and its affairs wound up only upon approval by the Member. It is the intent that the foregoing is the only dissolution event of the Company, those provisions of the DLLCA that specify other dissolution events being hereby overridden by the foregoing contrary provisions of this Agreement.

(b) **Liquidation of Property and Application of Proceeds.** Upon the dissolution of the Company, the Member (i) will wind up the Company's affairs in accordance with the DLLCA, taking any and all actions permitted by the DLLCA and (ii) will distribute the proceeds and undisposed property as follows: (A) to creditors, including the Member if the Member is a creditor (to the extent and in the order of priority provided by applicable law) in satisfaction of all known debts, liabilities and obligations of the Company, whether by payment or the making of adequate provision for payment and (B) thereafter to the Member.

12. **Assignments Permitted; Successors and Assigns.** Consistent with Section 10, the Member may assign any or all of its rights and obligations under this Agreement. This Agreement is binding upon, and inures to the benefit of, each of the parties and its successors and assigns. For purposes of this Agreement, "assign" (and variations of it) means and includes any assignment, in whole or in part, voluntarily or involuntarily, and whether by operation of law or by any other manner.

13. **Amendments to Certificate of Formation and this Agreement.** Any amendment to the Certificate of Formation or this Agreement will be made in writing and signed by the Member.

14. **Miscellaneous.**

(a) **Notices.** Each notice under this Agreement will be in writing and given either (i) in person or (ii) by a nationally recognized next business day delivery service for next business day delivery (costs prepaid) or (iii) by fax or e-mail and in the case of this clause (iii), with a confirming copy sent by a nationally recognized next business day delivery service electing, and being timely delivered to such courier for, next business day delivery (costs prepaid). In the case of clauses (ii) and (iii), such notice will be given to the last known business address, fax number or e-mail address of the person being given notice or to such other address as a person may furnish to the other as provided in this sentence. If notice is given pursuant to the foregoing of a permitted successor or assign, then notice will thereafter be given pursuant to the foregoing to such permitted successor or assign.

(b) **Certain Defined Terms.** For purposes of this Agreement (whether or not underlined): (i) "applicable law" means each provision of any constitution, statute, law, rule, regulation, decision, order, decree, judgment, release, license, permit, stipulation or other official pronouncement enacted, promulgated or issued by any governmental authority or arbitrator or arbitration panel; (ii) "governmental authority" means any legislative, executive, judicial, quasi-judicial or other public authority, agency, department, bureau, division, unit, court or other public body or person; (iii) "party" and "parties" and variations of such means each or all, as

appropriate, of the persons who have executed and delivered (or have joined or otherwise become subject to) this Agreement; and each such term and variations of them and each defined term referring to a party also refers to each permitted successor or assign of such a party, and when appropriate to effect the binding nature of this Agreement for the benefit of another party, any other successor or assign of such a party; and (iv) person” means any individual, sole proprietorship, partnership, corporation, joint venture, limited liability company, estate, trust, unincorporated organization, association, institution, or other entity or governmental authority.

(c) Certain Rules of Construction. For purposes of this Agreement: (i) “including” and any other words or phrases of inclusion will not be construed as terms of limitation, so that references to “included” matters will be regarded as non-exclusive, non-characterizing illustrations; (ii) “will” has the same meaning as “shall” and thus means an obligation and an imperative and not a futurity; (iii) titles and captions of or in this Agreement are inserted only as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions; (iv) whenever the context requires, the singular includes the plural and the plural includes the singular, and the gender of any pronoun includes the other genders; and (v) any reference to any statutory provision includes each successor provision and all applicable law as to such provision.

(d) Integration; Waiver. This Agreement constitutes the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements, if any, of the parties with respect to its subject matter. The failure of any party at any time or times to require the performance of any provisions of this Agreement will in no manner affect the right to enforce the same; and no waiver by any party of any provision (or of a breach of any provision) of this Agreement, whether by conduct or otherwise, in any one or more instances, will be deemed or construed either as a further or continuing waiver of any such provision or breach or as a waiver of any other provision (or of a breach of any other provision) of this Agreement.

(e) Controlling Law. This Agreement is governed by, and will be construed and enforced in accordance with, the laws of the State of Delaware.

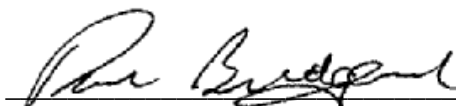
(f) Copies. This Agreement may be executed in two or more copies, each of which will be deemed an original, and it will not be necessary in making proof of this Agreement or its terms to produce or account for more than one of such copies.

DULY EXECUTED and delivered by the undersigned Members, effective as of December 4, 2012.

LNG INTERNATIONAL PTY LTD.

By: 

Name: Mr. Fletcher Maurice Brand
Title: Director

By: 

Name: Mr. Paul William Bridgwood
Title: Director

AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT
OF
MAGNOLIA LNG LLC
DATED AS OF
November 21, 2013
(a Delaware limited liability company)

THIS IS THE AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (together with any amendments or other modifications and supplements, and all exhibits and other attachments, to it, "this Agreement") of MAGNOLIA LNG LLC, a Delaware limited liability company (the "Company"), dated as of December 4, 2012, and by which EAGLE LNG LLC, a Delaware limited liability company (the "Member"), in consideration of the capital contributions to the Company and the promises set forth in this Agreement (the adequacy and sufficiency and receipt of which are hereby acknowledged), hereby agrees as follows:

1. **General.**

(a) **Formation & Term.** The Company was formed on December 4, 2012 by filing of Certificate of Formation with the Delaware Secretary of State pursuant to the Delaware Limited Liability Company Act, Delaware Code 1953 as amended Title 6, § 18-101 et seq. (as amended from time to time, the "DLLCA"). The term of the Company will continue until dissolved in accordance with this Agreement's provisions or the DLLCA.

Effective as of December 4, 2012, LNG International Pty Ltd. (the "Initial Member") entered into a limited liability company agreement with respect to the Company and subsequently, on October 9, 2013, the Initial Member contributed all of its membership interests in the Company to the Member and the Member entered into that First Amendment to the Limited Liability Company Agreement of Magnolia LNG LLC (collectively, the "Existing LLC Agreement"). This Agreement amends and restates the Existing LLC Agreement in its entirety.

(b) **Applicability of the Delaware Limited Liability Company Act.** To the extent that the Member's rights and obligations and the administration, dissolution, liquidation and termination of the Company are not set forth in this Agreement, such will be governed by the DLLCA. To the extent that this Agreement contains a provision contrary to a DLLCA provision that permits its being overridden by an operating agreement, such DLLCA provision is overridden by such contrary provision in this Agreement (whether or not expressly stated to do so in the applicable provision of this Agreement).

(c) **No Personal Liability of Members.** No Member, Manager, Officer (as defined below), employee or agent will have any personal liability to third parties for any debt, obligation, liability or loss of the Company, all as provided in, and subject to, the DLLCA.

(d) **Registered Office and Registered Agent.** The Company will maintain a registered office and registered agent in accordance with applicable law. The Member may change the registered office and registered agent from time to time in accordance with applicable law.

2. **Purpose.** The Company may engage in any lawful activity.

3. **Members.**

(a) **Generally.** The term “Member” means a person who either (i) signs this Agreement or (ii) is a transferee in accordance with Section 10, in each case until he ceases to be a Member in accordance with Subsection (c).

(b) **Sole Member.** The Sole Member is Eagle LNG LLC.

(c) **Cessation of Membership.** A Member will cease to be a Member upon the transfer of its interest in accordance with Section 10 (it being the intent that the foregoing are the only events by which one ceases to be a Member, those provisions of the DLLCA that specify other events in which one ceases to be Member being hereby overridden by the foregoing contrary provisions of this Agreement).

4. **Capital Contributions and Percentage Interests.** The Member’s capital contribution is \$10,000.00, and its percentage interest in the Company (the “Percentage Interest”) is 100%.

5. **Allocation and Distributions.** The Company’s net cash flow and tax profits and losses will be allocated to the Member in accordance with the Percentage Interest. The Company will make distributions to the Member at such time and in such form and amount as the Managers may determine.

6. **Management by the Managers.**

(a) **Generally.** The Company is managed by four managers (the “Managers”). The Managers are Mr. Fletcher Maurice Brand, Mr. Norman Marshall, Mr. Paul Bridgwood and Mr. Trent Dean Vichie. The Member may at any time and from time to time remove and replace, and otherwise fill a vacancy as to, the Managers. The Member (in its capacity as such) has no power or authority to bind or otherwise act on behalf of the Company.

(b) **Powers of Managers.** The Managers have the full power and authority to manage the business and affairs of the Company in accordance with this Agreement and the DLLCA, including the power to purchase, sell and lease property of any kind, to incur indebtedness and give security for such, to guarantee obligations of others, to execute documents and instruments on behalf of the Company, and to take all such actions as may be necessary or appropriate to carry out any action permitted by this Agreement or the DLLCA, either directly or through the Company’s Officers, employees, agents and other delegees.

7. **Officers.** The Managers may appoint one or more individuals to act as officers of the Company (“Officers”) on behalf of the Company. The initial Officers are as follows:

<u>Title</u>	<u>Name</u>
President	Mr. Fletcher Maurice Brand
Vice President	Mr. Ernest A. Megginson, Jr.
Vice President	Mr. Paul William Bridgwood
Treasurer	Mr. Norman Marshall
Secretary	Mr. David Michael Gardner

The Managers may at any time and from time to time remove and replace, and otherwise fill a vacancy as to any Officer. Each Officer will have such power and authority as are customarily delegated to persons holding equivalent titles in a corporation. Without limiting the foregoing, the President and the Vice Presidents will have authority to execute all documents and instruments on behalf of the Company, and the Secretary will have authority to attest to all such actions.

8. **Duties of the Managers and Officers.**

(a) **Generally.** Each Manager and each Officer, in managing the business or affairs of the Company, will act: (i) in a manner he believes in good faith to be in the best interests of the Company and (ii) with the care an ordinarily prudent person in a like position would exercise under similar circumstances. Except for the implied contractual covenant of good faith and fair dealing under applicable Delaware law, no Manager or Officer has any other duty to the Company, the Member or any other person that is a party to or is otherwise bound by this Agreement.

(b) **Override.** The provisions of this Agreement (including this Section 8 and Section 9) replace, eliminate and otherwise supplant those duties (including fiduciary duties) that a Manager or Officer might otherwise have under applicable law.

(c) **Transactions with Managers and Officers.** No Manager or Officer may enter into or amend the terms of any transaction or series of transactions between any of the following unless the transaction or amendment has been approved by the Member: (i) the Company and any Manager or affiliate of a Manager, or (ii) the Company and any Officer or affiliate of an Officer.

9. **Exculpation and Indemnification.** No Manager or Officer will be personally liable to the Company, any Member or any other person for monetary damages for any act or omission, including breach of contract or breach of duties (including fiduciary duties) of a Manager or Officer to the Company, any Member or any other person. The Company will indemnify, defend and hold harmless each Manager and Officer (each, while serving as such or while serving at Company's request as a director, manager, officer, partner, trustee, employee or agent of another foreign or domestic corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, being a "Company Indemnified Person") who by reason of being a Company Indemnified Person was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal or otherwise (including those brought by or in the right of the Company) to the fullest extent permitted under the DLLCA and applicable law; provided, however, that the foregoing obligations will not apply to the extent that the act or omission of the Company Indemnified Person involved either (i) any act or omission that constitutes a bad faith violation of the implied contractual covenant of good faith and fair dealing or (ii) any transaction for which the Company Indemnified Person received a personal benefit in violation or breach of any provision of this Agreement.

10. **Transfers Permitted.** The Member may transfer its interest in the Company to any person, and any transferee will succeed to the rights of the transferring Member and will become a Member of the Company.

11. **Dissolution.**

(a) **Events Causing Dissolution.** The Company will be dissolved and its affairs wound up only upon approval by the Member. It is the intent that the foregoing is the only dissolution event of the Company, those provisions of the DLLCA that specify other dissolution events being hereby overridden by the foregoing contrary provisions of this Agreement.

(b) **Liquidation of Property and Application of Proceeds.** Upon the dissolution of the Company, the Member (i) will wind up the Company's affairs in accordance with the DLLCA, taking any and all actions permitted by the DLLCA and (ii) will distribute the proceeds and undisposed property as follows: (A) to creditors, including the Member if the Member is a creditor (to the extent and in the order of priority provided by applicable law) in satisfaction of all known debts, liabilities and obligations of the Company, whether by payment or the making of adequate provision for payment and (B) thereafter to the Member.

12. **Assignments Permitted: Successors and Assigns.** Consistent with Section 10, the Member may assign any or all of its rights and obligations under this Agreement. This Agreement is binding upon, and inures to the benefit of, each of the parties and its successors and assigns. For purposes of this Agreement, "assign" (and variations of it) means and includes any assignment, in whole or in part, voluntarily or involuntarily, and whether by operation of law or by any other manner.

13. **Amendments to Certificate of Formation and this Agreement.** Any amendment to the Certificate of Formation or this Agreement will be made in writing and signed by the Member.

14. **Miscellaneous.**

(a) **Notices.** Each notice under this Agreement will be in writing and given either (i) in person or (ii) by a nationally recognized next business day delivery service for next business day delivery (costs prepaid) or (iii) by fax or e-mail and in the case of this clause (iii), with a confirming copy sent by a nationally recognized next business day delivery service electing, and being timely delivered to such courier for, next business day delivery (costs prepaid). In the case of clauses (ii) and (iii), such notice will be given to the last known business address, fax number or e-mail address of the person being given notice or to such other address as a person may furnish to the other as provided in this sentence. If notice is given pursuant to the foregoing of a permitted successor or assign, then notice will thereafter be given pursuant to the foregoing to such permitted successor or assign.

(b) **Certain Defined Terms.** For purposes of this Agreement (whether or not underlined): (i) "applicable law" means each provision of any constitution, statute, law, rule, regulation, decision, order, decree, judgment, release, license, permit, stipulation or other official pronouncement enacted, promulgated or issued by any governmental authority or arbitrator or arbitration panel; (ii) "governmental authority" means any legislative, executive, judicial, quasi-judicial or other public authority, agency, department, bureau, division, unit, court or other public body or person; (iii) "party" and "parties" and variations of such means each or all, as

appropriate, of the persons who have executed and delivered (or have joined or otherwise become subject to) this Agreement; and each such term and variations of them and each defined term referring to a party also refers to each permitted successor or assign of such a party, and when appropriate to effect the binding nature of this Agreement for the benefit of another party, any other successor or assign of such a party; and (iv) person” means any individual, sole proprietorship, partnership, corporation, joint venture, limited liability company, estate, trust, unincorporated organization, association, institution, or other entity or governmental authority.

(c) Certain Rules of Construction. For purposes of this Agreement: (i) “including” and any other words or phrases of inclusion will not be construed as terms of limitation, so that references to “included” matters will be regarded as non-exclusive, non-characterizing illustrations; (ii) “will” has the same meaning as “shall” and thus means an obligation and an imperative and not a futurity; (iii) titles and captions of or in this Agreement are inserted only as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions; (iv) whenever the context requires, the singular includes the plural and the plural includes the singular, and the gender of any pronoun includes the other genders; and (v) any reference to any statutory provision includes each successor provision and all applicable law as to such provision.

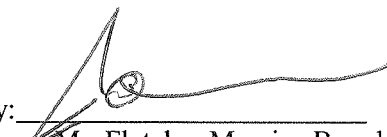
(d) Integration; Waiver. This Agreement constitutes the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements, if any, of the parties with respect to its subject matter. The failure of any party at any time or times to require the performance of any provisions of this Agreement will in no manner affect the right to enforce the same; and no waiver by any party of any provision (or of a breach of any provision) of this Agreement, whether by conduct or otherwise, in any one or more instances, will be deemed or construed either as a further or continuing waiver of any such provision or breach or as a waiver of any other provision (or of a breach of any other provision) of this Agreement.


(e) Controlling Law. This Agreement is governed by, and will be construed and enforced in accordance with, the laws of the State of Delaware.

(f) Copies. This Agreement may be executed in two or more copies, each of which will be deemed an original, and it will not be necessary in making proof of this Agreement or its terms to produce or account for more than one of such copies.

DULY EXECUTED and delivered by the undersigned Member, effective as of November 21, 2013.

EAGLE LNG LLC.

By: 
Name: Mr. Fletcher Maurice Brand
Title: President

By: 
Name: Mr. Paul William Bridgwood
Title: Vice President

**WRITTEN CONSENT OF THE SOLE MEMBER OF
MAGNOLIA LNG LLC**

December 13, 2012

The undersigned, being the sole member (the “Member”) of Magnolia LNG LLC, a Delaware limited liability company (the “Company”), hereby consents to and takes the following actions, adopts the following resolutions, and directs that this written consent be filed with the minutes of the proceedings of the Company.

Organization

WHEREAS, the Certificate of Formation of the Company was duly filed with the Secretary of State of the State of Delaware on December 4, 2012.

NOW THEREFORE, BE IT RESOLVED, that the Certificate of Formation of the Company is hereby ratified and the Member hereby directs that a copy of the same be placed in the Company’s minute book;

FURTHER RESOLVED, that the limited liability company agreement attached hereto as **Exhibit A** is adopted as the limited liability company agreement of the Company and the Member hereby directs that a copy of the same be placed in the Company’s minute book;

FURTHER RESOLVED, that the managers of the Company (the “Managers”) or any officers of the Company (the “Authorized Officers”), are hereby authorized to approve and adopt a corporate seal of the Company;

FURTHER RESOLVED, that the Managers of the Company, or any of the Authorized Officers, are hereby authorized to pay all charges and expenses incident to or arising out of the organization of the Company and to reimburse any person who has made any disbursements therefore;

FURTHER RESOLVED, that the Managers of the Company or the Authorized Officers are each authorized:

(a) to designate such bank or banks as depositories (the “Depository” or “Depositories”) for the funds of the Company as the Managers may deem necessary or advisable;

(b) to open, keep, and close general and special bank accounts (the “Accounts”) and safe deposit boxes with any Depository;

(c) to cause to be deposited in the Accounts from time to time such funds of the Company as the Managers may deem necessary or advisable;

(d) to sign or countersign checks, drafts, or other orders for the payment of money issued in the name of the Company against the Accounts; and

(e) to make such general and special rules and regulations with respect to the Accounts (including, without limitation, authorization for use of facsimile signatures) as the Managers may deem necessary or advisable;

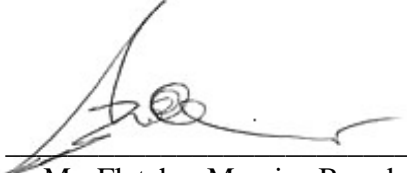
FURTHER RESOLVED, that withdrawals from such accounts (except for checks between Company accounts) shall require the signature of the Managers or Authorized Officers or their delegates; and

FURTHER RESOLVED, that, if any Depository requires a prescribed form or forms of resolutions relating to the Accounts or to any application, statement, instrument, or other documents connected with the Accounts, the resolutions contained in any such prescribed form will be deemed to be adopted by the Managers of the Company, which are hereby authorized to certify the adoption of any such resolution as though it were presented to the Managers at the same time as this written consent, and to file copies of all such resolutions in the minute book of the Company.

[Signature page follows]

This Written Consent is executed by the Member as of the date first written above.

LNG INTERNATIONAL PTY LTD.

By: 
Name: Mr. Fletcher Maurice Brand
Title: Director

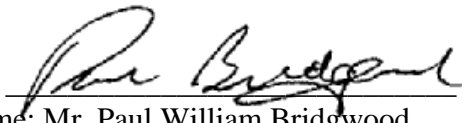
By: 
Name: Mr. Paul William Bridgwood
Title: Director

EXHIBIT A

Limited Liability Company Agreement

[See attached.]

MAGNOLIA LNG LLC
Managers, Officers and Members

The managers and officers of Magnolia LNG LLC (the “**Company**”) are as follows:

<u>Name</u>	<u>Office/Title</u>	<u>Nationality</u>
Mr. Gregory Vesey	President/Manager	American
Mr. John Baguley	Vice President/Manager	American
Mr. Joseph B’Oris	Vice President/Manager	American
Mr. Michael Mott	Treasurer/Manager	American
Ms. Kinga Doris	Secretary	American

Exhibit B

Magnolia LNG, LLC Financial and Corporate Relationships

MAGNOLIA LNG, LLC

Statement of Financial and Corporate Relationships

The exact legal name of Magnolia LNG is Magnolia LNG, LLC. Magnolia LNG is a limited liability company organized under the laws of Delaware.

1. Magnolia LNG, LLC is a wholly owned subsidiary of Magnolia LNG Holding LLC (organized under the laws of Delaware);
2. Magnolia LNG Holding LLC is a wholly owned subsidiary of Magnolia LNG Investment LP (organized under the laws of Delaware);
3. Magnolia LNG Investment LP is a jointly owned subsidiary of Pecan GP Inc. and Pecan LP Inc. (organized under the laws of Delaware);
4. Pecan GP Inc. and Pecan LP Inc. are wholly owned subsidiaries of Pecan Inc. (both organized under the laws of Delaware);
5. Pecan Inc. is a wholly owned subsidiary of LNG Consolidated Holdings (organized under the laws of Delaware);
6. LNG Consolidated Holdings is a jointly owned subsidiary of North American LNG Pty Ltd. and Mayflower LNG Pty Ltd. (organized under the laws of Delaware);
7. North American LNG Pty Ltd. and Mayflower LNG Pty Ltd. are wholly owned subsidiaries of LNG International Pty Ltd. (both incorporated in Australia);
8. LNG International Pty Ltd. is a wholly owned subsidiary of Liquefied Natural Gas Limited (incorporated in Australia).

The principle place of business of Magnolia LNG is 1001 McKinney, Suite 400, Houston, Texas, USA, 77002.

Magnolia LNG is currently engaged in the business of developing a liquefied natural gas export facility located at Lake Charles, Louisiana, as authorized by the Federal Energy Regulatory Commission under Section 3 of the Natural Gas Act.

None of the managers or officers owns any membership interest in Magnolia LNG.

LNG Limited Legal Structure January 1, 2018

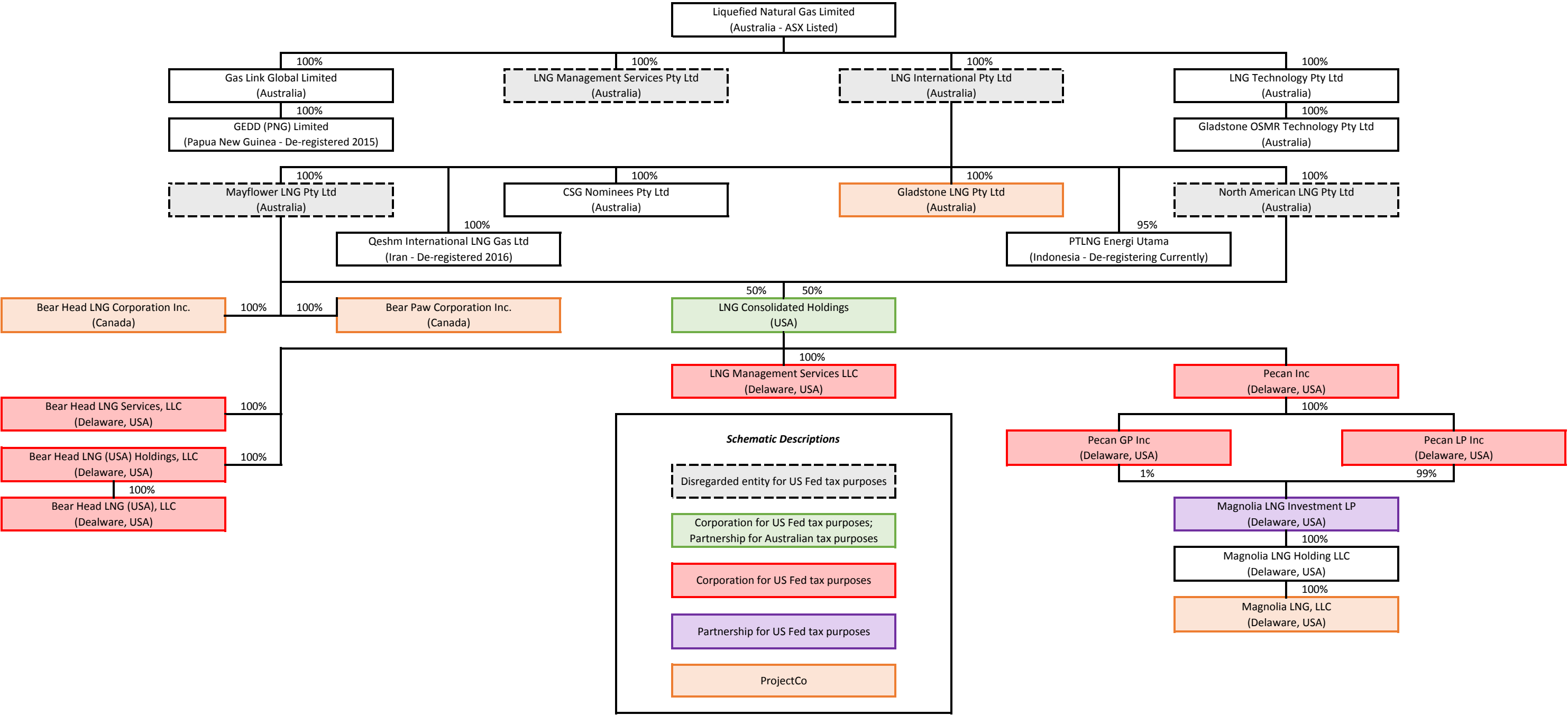


Exhibit C

Opinion of Counsel Regarding Authorized Powers

K&L GATES

David Wochner
david.wochner@klgates.com

T +1 202 778 9014
F +1 202 778 9100

November 19, 2018

Ms. Kimberly D. Bose
Office of the Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Magnolia LNG LLC
Application to Increase Maximum LNG Production Capacity

Dear Ms. Bose:

On April 15, 2016, the Federal Energy Regulatory Commission ("Commission") issued its Order Granting Authorization under Section 3 of the Natural Gas Act and Issuing Certificates ("April 15 Order") approving Magnolia LNG LLC's ("Magnolia LNG") application under Docket No. CP14-347-000 for permission to site, construct, and operate liquefaction and export facilities located at Magnolia LNG's proposed site near Lake Charles, Louisiana ("Project"). With the enclosed application, Magnolia LNG is applying to the Commission for authorization to increase the Project's maximum liquefaction capacity.

This opinion is furnished to you pursuant to Section 153.8(a)(3) of the Commission's regulations, 18 C.F.R. § 153.8(a)(3), and in connection with the application of Magnolia LNG for authorization to increase the liquefaction capacity of the Magnolia LNG Project facilities. I am counsel for Magnolia LNG, a limited liability company organized under the laws of the State of Delaware. I have reviewed and relied upon the limited liability company formation documents of Magnolia LNG and information provided to me by Magnolia LNG. Based on the foregoing, and for the purpose of this application to the Commission, I am of the opinion that the proposed liquefaction capacity increase as described in the application is within the limited liability company powers of Magnolia LNG and that Magnolia LNG has complied with the laws and regulations of the states in which it operates that are applicable to this application.

If you have any questions regarding this filing, please contact me at (202) 778-9014 or at david.wochner@klgates.com.

Best regards,

A handwritten signature in black ink, appearing to read "D. L. Wochner". The signature is fluid and cursive, with a long horizontal stroke at the end.

David Wochner
Counsel for Magnolia LNG LLC

Document Content(s)

Magnolia LNG -- FERC Federal Register Notice (Nov 2018).DOCX.....	1-2
Magnolia LNG -- FERC Application (Nov 2018).PDF.....	3-12
Magnolia LNG -- FERC App Exhibits (Nov 2018).PDF.....	13-38

Exhibit B

Magnolia LNG LLC Notice of Application
FERC Docket No. CP19-19-000

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Magnolia LNG, LLC

Docket No. CP19-19-000

NOTICE OF APPLICATION

(December 6, 2018)

Take notice that on November 19, 2018, Magnolia LNG, LLC (Magnolia LNG), 1001 McKinney, Suite 600, Houston, Texas 77002, filed an application in Docket No. CP19-19-000, pursuant to Section 3(a) of the Natural Gas Act and the Federal Energy Regulatory Commission's (Commission) regulations seeking an amendment to the authorization granted by the Commission on April 15, 2016, in Docket No. CP14-347-000. Through its amendment application, Magnolia LNG seeks authorization from the Commission to increase the total liquefied natural gas production capacity of its liquefaction project from the currently authorized 8 million tons per annum (MTPA) to 8.8 MTPA, or 1.4 billion cubic feet per day. The facilities are located in Lake Charles, Calcasieu Parish, Louisiana, as more fully described in the application which is on file with the Commission and open to public inspection. The filing may also be viewed on the web at <http://www.ferc.gov> using the "eLibrary" link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, contact FERC at FERCOnlineSupport@ferc.gov or call toll-free, (866) 208-3676 or TTY, (202) 502-8659.

Any questions regarding this application should be directed to Kinga Doris, Magnolia LNG, LLC, 1001 McKinney, Suite 600, Houston, Texas 77002, (713) 815-6921; or David L. Wochner, K&L Gates LLP, 1601 K Street, NW, Washington, DC 20006, (202) 778-9000, David.Wochner@klgates.com.

Pursuant to section 157.9 of the Commission's rules, 18 CFR 157.9, within 90 days of this Notice the Commission staff will either: complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding; or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the comment date stated below file with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426, a motion to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit 3 copies of filings made in the proceeding with the Commission and must provide a copy to the applicant and to every other party. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commentators will be placed on the Commission's environmental mailing list, and will be notified of any meetings associated with the Commission's environmental review process. Environmental commentators will not be required to serve copies of filed documents on all other parties. However, the non-party commentators will not receive copies of all documents filed by other parties or issued by the Commission and will not have the right to seek court review of the Commission's final order.

The Commission strongly encourages electronic filings of comments, protests and interventions in lieu of paper using the "eFiling" link at <http://www.ferc.gov>. Persons unable to file electronically should submit an original and 3 copies of the protest or intervention to the Federal Energy regulatory Commission, 888 First Street, NE, Washington, DC 20426.

Comment Date: December 27, 2018

Kimberly D. Bose,
Secretary.

Document Content(s)

Notice CP19-19 Magnolia LNG LLC.DOCX.....1-2

Exhibit C

Magnolia LNG LLC Environmental Assessment Report
FERC Docket No. CP19-19-000

Federal Energy Regulatory Commission
Office of Energy Projects, Division of Gas-Environment & Engineering

ENVIRONMENTAL ASSESSMENT REPORT

Name of Applicant: Magnolia LNG, LLC

Date Filed: 11/19/18

Docket No: CP19-19-000

Type: Section 3(a) – increase of LNG facility production capacity

Cost: Not given

Facilities:

Magnolia LNG, LLC (Magnolia) requests approval to amend its Magnolia LNG Project, previously approved by FERC in Docket No. CP14-347-000. Specifically, Magnolia requests to increase the authorized liquefied natural gas (LNG) production capacity of the Magnolia LNG Project from 8 million tons per annum (MTPA) to 8.8 MTPA.

Magnolia states that the increased LNG production capacity would be realized through optimized final design and would not require any increase in the authorized feed gas rates. Magnolia further states that the amended capacity would not require any additional construction, or new or modified facilities not already considered and approved in CP14-347-000. Magnolia affirms that the annual number of ships (vessel traffic) would not change from that already analyzed and approved by the U.S. Coast Guard.

Magnolia requests Commission approval by April 1, 2019.

Environmental Impact -- Conclusions:

☐ **Categorical Exclusion**

☒ **Environment Not Involved**

☐ **Environment Complete**

Environmental Considerations or Comments:

None. All environmental impacts related to Magnolia's original (and approved) proposal were considered under Docket No. CP14-347-000. The current application does not involve any new or modified facilities, and would result in no additional environmental impacts.

Prepared by:

Date:

12/18/18

Approved by Branch Chief:

Date:

12/21/18

Document Content(s)

CP19-19-000 Magnolia 415_ENI.PDF.....1-1