

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

REEF VENTURES, L.P.

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DOCKET NO. 03-62-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS
FROM AND TO MEXICO

DOE/FE ORDER NO. 1906

OCTOBER 9, 2003

I. DESCRIPTION OF REQUEST

On October 7, 2003, Reef Ventures, L.P. (Reef) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),¹ for blanket authorization to import and export up to a combined total of 400 billion cubic feet (Bcf) of natural gas from and to Mexico. The applicant requests the authorization be granted for a two-year term beginning on November 1, 2003. Reef is a limited partnership under the laws of Texas with its principal place of business in Tulsa, Oklahoma.

II. FINDING

The application has been evaluated to determine if the proposed import and export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import and export of natural gas from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Reef to import and export natural gas from and to Mexico, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This Order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Reef Ventures, L.P. (Reef) is authorized to import and export up to a combined total of 400 billion cubic feet of natural gas from and to Mexico. The term of the authority will begin on November 1, 2003, and extend through October 31, 2005.

B. This natural gas may be imported and exported at any entry or exit point on the border of the United States and Mexico.

C. With respect to the natural gas imports and exports authorized by this Order, Reef shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports and exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports and exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports and exports have occurred, the report must give the details of each transaction, including: (1) the total monthly volumes in thousand cubic feet (Mcf); (2) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual

^{1/} 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redelegation Order No. 00-002.4 (January 8, 2002).

duration of the agreement(s); (6) the name of the United States transporter(s); (7) the point(s) of entry and exit; (8) the geographic market(s) served (for imports, by State); and, if applicable, (9) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

[OMB No.: 1901-0294]

D. The first quarterly report required by this Order is due not later than January 30, 2004, and should cover the period from November 1, 2003, until the end of the fourth calendar quarter, December 31, 2003.

E. The quarterly reports shall be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585.

Issued in Washington, D.C., on October 9, 2003.

Clifford P. Tomaszewski
Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import & Export Activities
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