

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TWIN EAGLE RESOURCE MANAGEMENT, LLC

)
) FE DOCKET NO. 11-92-NG
)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA,
TO IMPORT LIQUEFIED NATURAL GAS FROM CANADA BY TRUCK, AND
TO EXPORT LIQUEFIED NATURAL GAS TO CANADA BY VESSEL

DOE/FE ORDER NO. 2995

AUGUST 4, 2011

I. DESCRIPTION OF REQUEST

On July 22, 2011, Twin Eagle Resource Management, LLC (TERM) filed an application with the Office of Fossil Energy (FE) of the Department of Energy under section 3 of the Natural Gas Act (NGA)¹ for blanket authorization to import up to 500 billion cubic feet (Bcf) of natural gas from Canada, to export up to 100 Bcf of natural gas to Canada, to import liquefied natural gas (LNG) from Canada by truck up to the equivalent of 50 Bcf of natural gas, and to export LNG to Canada by vessel up to the equivalent of 50 Bcf of natural gas. The applicant requests the authorization be granted for a two-year term beginning the date the Order is issued. TERM is a Delaware limited liability company with its principal place of business in Houston, Texas.

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, including LNG, from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas and the import of LNG from other international sources are deemed to be consistent with the public interest and must be granted without modification or delay.

¹/ The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA (15 U.S.C. §717b) has been delegated to the Assistant Secretary for FE in Redelegation Order No. 00-002.04E issued on April 29, 2011.

The authorization sought by TERM to import and export natural gas from and to Canada, to import LNG from Canada by truck, and to export LNG to Canada by vessel, a nation with which a free trade agreement is in effect, meets the section 3(c) criteria and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of no longer than two years.

ORDER

Pursuant to section 3 of the NGA, it is ordered that:

A. TERM is authorized to import up to 500 Bcf of natural gas from Canada, to export up to 100 Bcf of natural gas to Canada, to import LNG from Canada by truck up to the equivalent of 50 Bcf, and to export LNG to Canada by vessel up to the equivalent of 50 Bcf of natural gas, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term beginning on August 4, 2011, and extending through August 3, 2013.

B. This natural gas may be imported and exported at any point on the borders between the United States and Canada.

C. This LNG may be imported by truck to any LNG receiving facility in the United States and its territories. This LNG may be exported by vessel from any LNG departure facility in the United States and its territories.

D. **Monthly Reports:** With respect to the natural gas imports and exports, and the imports and exports of LNG authorized by this Order, TERM shall file with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar month, a report indicating whether imports and/or exports of natural gas or LNG have been made. Monthly reports shall be filed whether or not initial deliveries have begun. If imports and/or exports have not occurred, a report of “no activity” for that month must be filed. If imports and/or exports of

natural gas have occurred, the report must give the following details: (1) for imports, the country of origin; (2) for exports, the country of destination; (3) the point(s) of entry and exit; (4) the volume in thousand cubic feet (Mcf); (5) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (6) the name of the supplier(s); (7) the name of the U.S. transporter(s); (8) the estimated or actual duration of the supply agreement(s); and (9) for imports, the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

If imports of LNG by truck have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. receiving; (2) the country of origin; (3) the point(s) of entry; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the LNG transporter(s); (6) the volume in Mcf; (7) the price per MMBtu at the point of entry; (8) the duration of the supply agreement; and (9) the geographic market served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

If exports of LNG by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. departure facility; (2) the name of the LNG tanker; (3) the date of departure from the U.S. departure facility; (4) the country of destination; (5) the name of the supplier/seller; (6) the volume in Mcf; (7) the price per MMBtu at the point of exit; and (8) the duration of the supply agreement.

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

E. The first monthly report required by this Order is due not later than September 30, 2011, and should cover the reporting period from August 4, 2011, through August 31, 2011.

F. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Natural Gas Regulatory Activities, P.O. Box 44375,

Washington, D.C. 20026-4375, Attention: Ms. Yvonne Caudillo. Alternatively, reports may be e-mailed to Ms. Caudillo at Yvonne.caudillo@hq.doe.gov or ngreports@hq.doe.gov, or may be faxed to Ms. Caudillo at (202) 586-6050.

Issued in Washington, D.C., on August 4, 2011.

A handwritten signature in blue ink, appearing to read "John A. Anderson", written over a horizontal line.

John A. Anderson
Manager, Natural Gas Regulatory Activities
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy