

REVISED OPEN SEASON
Cheyenne Plains Pipeline Expansion

CHEYENNE PLAINS GAS PIPELINE COMPANY

Cheyenne Plains Gas Pipeline Company (Cheyenne Plains) has revised the pending Open Season to restate and simplify the terms of the Transportation Precedent Agreement. Specifically the modification eliminates one of the previously stated conditions to the obligations of Cheyenne Plains (the financing condition) and extends the term of the Open Season to allow perspective shippers until August 18th to submit bids. This Revised Notice of Open Season solicits the necessary firm transportation agreements required to support an expansion of pipeline capacity from the Cheyenne Hub to pipeline interconnections at or near Greensburg, Kansas.

As described in more detail below, in response to statements of interest by prospective shippers, Cheyenne Plains is proposing to expand the capacity of the pipeline facilities extending from the Cheyenne Hub to the pipeline terminus at or near Greensburg, Kansas. During the period of this binding open season, Wyoming Interstate Company (WIC) is also conducting a binding open season which is described further in a separate notice. Parties interested in obtaining such capacity are invited to submit requests during this open season in the manner provided below and during the WIC open season as described in the WIC open season notice.

LENGTH OF OPEN SEASON

The Open Season for Cheyenne Plains will begin at 2:00 p.m., Mountain Time, on Friday, July 25, 2003, and close at 4:00 p.m., Mountain Time, on Monday, August 18, 2003. Executed Precedent Agreements (PAs) and Offer Sheets must be faxed by the close of this Open Season to the attention of Mr. Craig Coombs. The fax number is (719) 520-3792.

Questions concerning this Open Season or to obtain PAs and Offer Sheets should be directed to your Business Development Representative or any of the following:

Craig Coombs	(719) 520-4387
Laine Lobban	(719) 520-4344
Roland Harris	(719) 520-4380

PROJECT DESCRIPTION

Cheyenne Plains Gas Pipeline Company has been formed to own and construct a natural gas pipeline extending for approximately 380 miles from interconnections with Colorado Interstate Gas Company (CIG) and Wyoming Interstate Company, Ltd. (WIC) at the Cheyenne Hub near the Colorado/Wyoming border to new interconnections with six interstate and one intrastate pipeline systems in the vicinity of Greensburg, Kansas. Cheyenne Plains filed an application for a Certificate of Public Convenience and Necessity authorizing the construction and operation of the Cheyenne Plains Pipeline with the Federal Energy Regulatory Commission (the "FERC" or "Commission") on May 20th, 2003. That application described the physical configuration of the pipeline as a 30" pipeline with compression at Cheyenne. Based upon the results of this Open Season, it is anticipated that Cheyenne Plains may file an amendment to that original certificate application to provide for construction as a 36" pipeline with reduced compression at Cheyenne. Such an amendment would not change the original pipeline capacity from the original 560 MDth/day and it is not anticipated the amendment will delay the proposed in-service date of the Cheyenne Plains pipeline. It is anticipated that an application for the additional facilities (anticipated to be compression only) necessary to provide capacity above the 560 MDthd ("Expansion Facilities") shall be filed in 2004. The in-service date of such facilities is anticipated to be in 2006.

Based upon customer statements of interest, Cheyenne Plains is now evaluating an expansion of the capacity of the initial pipeline segment from the Cheyenne Hub to Greensburg above the original 560 MDth/day design. Cheyenne Plains requests that any shipper who currently has capacity from the Cheyenne Hub to Greensburg notify Cheyenne Plains if they wish to turnback their capacity through a permanent release of that capacity. Those who wish to release their capacity should notify Cheyenne Plains of the amount, the term, and any other conditions that would be necessary to effectuate a release of their capacity. In order for Cheyenne Plains to consider anticipated turnbacks in the expansion decision, notification must be made prior to the expiration of the Open Season (August 18, 2003).

SUBMISSION OF BIDS

A prospective Shipper may submit a bid for the Cheyenne Plains Capacity. In addition, a prospective Shipper may submit an Additional Alternative Bid for capacity (equal to or in excess of the amount requested in the initial bid) which is subject to the successful acquisition of upstream capacity on the proposed expansion of the Wyoming Interstate Company ("WIC") pipeline from the Piceance Basin at or near either Greasewood or Parachute in northwestern Colorado to the Cheyenne Hub. Prospective Shippers submitting such Additional Alternative Bids shall have until October 10, 2003 to decide whether to accept either the capacity awarded on the initial bid or on the Additional Alternative Bid (Note: because this Open Season is for binding bids only, one award of capacity or the other must be selected).

To submit a bid in this Open Season, one or more completed Offer Sheets executed by the prospective Shipper must be attached to one or more executed PA(s) and must be provided to Cheyenne Plains prior to the close of the Open Season in the manner provided herein. For each Offer Sheet there must be an acceptable PA. The Offer Sheet must state the desired contract term, maximum delivery quantity (MDQ), receipt point, delivery point, and bid rate for the term of the agreement. This bid rate must be presented as either a recourse rate bid or a negotiated rate bid. ACA, GRI, Fuel, Lost and Unaccounted-For, and any other authorized surcharges, if any, will be in addition to Shipper's bid rate.

The following minimum acceptable rate bids are based upon anticipated levels of response to this Open Season; if actual results vary from projections, the minimum acceptable rate bid level may also vary. Anticipated illustrative recourse maximum reservation and fuel rates (based on the pending Cheyenne Plains Certificate application adjusted for the additional cost associated with the conversion to use of 36" pipe) are as follows:

Cheyenne Plains Capacity	
Reservation Rate (\$ Dth/month)	\$12.8784
Commodity Rate - see note (1) below	\$0.00/Dth
100% Load Factor Rate	\$0.4234/Dth
Anticipated Compressor Fuel, Lost And Unaccounted for and Other Fuel Gas	Prior to Expansion Facilities going in service - 9 to 1.1% Post Expansion Facilities going in Service 1.6 to 1.8%

Cheyenne Plains anticipates that minimum acceptable bids will be either bids at the maximum recourse rate as described above or negotiated rate bids as follows:

Reservation Rate (\$ Dth/month)	\$10.3417 for bids less than 225 MDthd or \$9.7333 for bids of 225 MDth/day or more
Commodity Rate - see note (1) below	\$0.00/Dth
100% Load Factor Rate	\$0.34/Dth for bids less than 225 MDth or \$0.32/Dth for bids of 225 MDth/day or more - see note (2) below

Notes:

(1) the commodity rate will be further refined as the project design is finalized

Shippers are permitted to submit multiple bids for different MDQs, contract rates, and terms, but each bid shall be a binding bid (except as provided for above in connection with Additional Alternative Bids). No other bids shall be accepted which are made conditional or subject to the acceptance or rejection of any other bid submitted by the Shipper.

Please attach one Offer Sheet with each bid to a separately executed PA. Cheyenne Plains will allow only one Offer Sheet per executed PA. In submitting bids, please return two (2) originals of the Offer Sheet(s) and executed PA(s) to Cheyenne Plains. Upon the award of capacity (and the choice by the Shipper in the case of Additional Alternative Bids), Cheyenne Plains will execute both originals submitted and return one for your files.

Prospective Shippers must contact the Representatives identified above prior to their submission of bids to confirm and/or establish their creditworthy status in order to permit the timely evaluation and ranking of bids.

BID CONDITIONS

Cheyenne Plains will not accept any conditions for bids submitted during this Open Season other than in those cases where the prospective Shipper has submitted an Additional Alternative Bid as discussed above. To designate that the bid is an additional alternative bid, the prospective Shipper should check the appropriate box on the Offer Sheet (under the heading "Additional Alternative Bids").

AWARDING OF CAPACITY

In the event more bids are received for more capacity than is available, capacity will be awarded as outlined below:

1. Subject to the other provisions of this Open Season, capacity shall be allocated based on the present value of the annual reservation rate per unit for each offer, using the formula below:

$$R \times \frac{1 - (1+i)^{-n}}{i} = \text{present value of the annual reservation charge}$$

Where: R = monthly reservation rate X 12
i = annual interest rate using the rate of return on equity currently authorized for CIG
n = term of the agreement in years

2. Bids at maximum recourse rate will be evaluated using the anticipated maximum recourse rates described above. Bids at negotiated rates will be

evaluated on the basis of the lesser of the actual negotiated rate bid or the maximum recourse rate. Bids at discounted rates will be evaluated on the basis of the actual bid rate.

3. Winning bidders will be notified by 5:00 p.m., Mountain Time, August 21, 2003. Cheyenne Plains will evaluate all bids to determine whether or not the bids economically justify the expansion project. A final determination regarding whether, in the sole discretion of Cheyenne Plains, the expansion project is economical and whether Cheyenne Plains is willing to proceed with the project, will be based upon the results of the Open Season, including the choices of prospective shippers that have submitted additional alternative bids.

4. If there is not sufficient capacity available to meet all winning bids, and if two or more of the lowest accepted bids are of equal present value per unit, capacity will be allocated pro rata based on the Maximum Delivery Quantity of the bids that are tied.

5. Shipper must provide evidence of creditworthiness in a manner satisfactory to Transporter equal to at least one year of contract revenue. Satisfactory evidence of creditworthiness may include a Letter of Credit, a guarantee from a creditworthy party or a satisfactory review of the financial status of the Shipper by Cheyenne Plains. The one-year requirement shall remain in effect for the term of the transportation agreement or until Transporter has been reimbursed for the cost of the facilities, whichever occurs sooner.

6. Cheyenne Plains specifically reserves the right to not accept bids that are for a term shorter than Cheyenne Plains believes necessary to support the project. Cheyenne Plains may also accept shorter-term bids at maximum rates over a bid at less than maximum tariff rates with a term exceeding 10 years.

7. Any award of capacity hereunder shall be subject to the existence of sufficient takeaway capacity at the proposed points of delivery.

Precedent Agreement

between

Cheyenne Plains Gas Pipeline Company

and

_____ (Shipper)

Dated: _____

Precedent Agreement

The Parties identified below, in consideration of their mutual promises, agree as follows:

1. Transporter: CHEYENNE PLAINS GAS PIPELINE COMPANY
2. Shipper: _____
3. Applicable Tariff: Transporter's FERC Gas Tariff, Original Volume No. 1, as the same is approved by the FERC subsequent to the issuance of a Certificate of Public Convenience and Necessity for the Cheyenne Plains Pipeline and as it may be amended or superseded from time to time ("the Tariff").
4. Incorporation by Reference: This Agreement in all respects shall be subject to the provisions of Rate Schedule FT and to the applicable provisions of the General Terms and Conditions of the Tariff as filed with, and made effective by, the FERC as same may change from time to time.
5. Transportation Service: Transportation Service at and between Primary Point(s) of Receipt and Primary Point(s) of Delivery shall be on a firm basis. Receipt and Delivery of quantities at Secondary Point(s) of Receipt and/or Secondary Point(s) of Delivery shall be in accordance with the Tariff.
6. Points of Receipt and Delivery: Shipper agrees to tender Gas for transportation service and Transporter agrees to accept receipt quantities at the Primary Point(s) of Receipt identified in Exhibit "A." Transporter agrees to provide transportation service and deliver gas to Shipper (or for Shipper's account) at the Primary Point(s) of Delivery identified in Exhibit "A." Minimum and maximum receipt and delivery pressures, as applicable, are listed on Exhibit "A."
7. Rates and Surcharges: As set forth in Exhibit "B." Shipper shall pay the applicable maximum tariff rate unless otherwise provided. Transporter and Shipper may mutually agree to a discounted rate pursuant to the rate provisions of Rate Schedule FT.
8. Negotiated Rate Agreement: Yes _____ No _____

Term Beginning: The first day of the month following the date the Pipeline Expansion Capacity is available for service (the "Expansion In-Service Date")

Extending Through

10. Supersedes and cancels prior Agreement:

11. Maximum Daily Quantity (MDQ):

Receipt Point	MDQ (Dth/d)	Effective
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Expansion In-Service Date

12. Notices, Statements, and Bills:

To Shipper:
Invoices for Transportation:

Attention: _____

All Notices:

Attention: _____

To Transporter:

See Payments, Notices, and Contacts sheet in the Tariff.

13. Changes in Rates and Terms: Transporter shall have the right to propose to the FERC changes in its rates and terms of service, and this Agreement shall be deemed to include any changes which are made effective pursuant to FERC Order or regulation or provisions of law, without prejudice to Shipper's right to protest the same.
14. Governing Law. Transporter and Shipper expressly agree that the laws of the State of Colorado shall govern the validity, construction, interpretation, and effect of this Agreement and of the applicable Tariff provisions. This Agreement is subject to all applicable rules, regulations, or orders issued by any court or regulatory agency with proper jurisdiction.
15. Construction of Facilities. The parties recognize that Transporter must construct additional facilities in order to provide transportation service for Shipper under this Agreement. Transporter's obligations under this Agreement are subject to: (i) the receipt and acceptance by Transporter of a FERC certificate for the additional facilities, as well as the receipt by Transporter of all other necessary regulatory or government approvals, permits, and other authorizations for the additional facilities in form and substance satisfactory to Transporter in its sole discretion; (ii) the approval of this project by the appropriate management, management committee, and/or board of directors of Transporter and/or its parent companies; and (iii) Shipper shall provide evidence of creditworthiness in a manner satisfactory to Transporter equal to at least one year of reservation and commodity charges under the Agreement (satisfactory evidence of creditworthiness may include a Letter of Credit, a guarantee from a creditworthy party, or a satisfactory review of the financial status of the Shipper by Transporter). The one-year requirement shall remain in effect until Transporter has been reimbursed for the cost of the facilities or this Agreement terminates, whichever occurs sooner.
16. Form of Service Agreement. Shipper shall execute a conforming Form of Service Agreement incorporating the terms of this agreement as approved by the FERC as part of the Tariff of Cheyenne Plains within thirty days of submittal by Transporter. In the event the Pro Forma Transportation Service Agreement approved by the FERC as part of the Tariff of the Cheyenne Plains Pipeline varies in form from that Form of Service Agreement, the Parties agree to execute a replacement agreement in the form of the pro forma agreement in the Tariff. Any substantive difference between this Agreement and the approved pro forma agreement, which remains in effect at the time the replacement agreement is prepared shall be reflected in the replacement agreement.
17. Assignment: Cheyenne Plains may assign this agreement to an affiliated entity.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

Transporter:

Shipper:

CHEYENNE PLAINS GAS PIPELINE COMPANY

By: _____
 Thomas L. Price
 Vice President

By: _____
 Name: _____
 Title: _____

Accepted and agreed to this _____
 day of _____, 2003.

Accepted and agreed to this _____
 day of _____, 2003.

Exhibit "A"

Precedent Agreement
 between
 Cheyenne Plains Gas Pipeline Company
 and
 _____ (Shipper)

Dated: _____

1. Shipper's Maximum Delivery Quantity ("MDQ"): See Paragraph 11

Primary Point(s) of Receipt (Note 1)	Effective Dates	Primary Point(s) of Receipt Quantity (Dth per Day) (Note 2)	Minimum Receipt Pressure (p.s.i.g.)	Maximum Receipt Pressure (p.s.i.g.)
	Expansion Capacity In-Service Date		920	1,000
Primary Point(s) of Delivery (Note 1)	Effective Dates	Primary Point(s) of Delivery Quantity (Dth per Day)	Minimum Delivery Pressure (p.s.i.g.)	Maximum Delivery Pressure (p.s.i.g.)
ANR	Expansion Capacity In-Service Date		Line Pressure ("LP")	Not to exceed 880
KGS	Expansion Capacity In-Service Date		LP	Not to exceed 880
KMI	Expansion Capacity In-Service Date		LP	Not to exceed 880
Natural	Expansion Capacity In-Service Date		LP	Not to exceed 880

PEPL	Expansion Capacity In-Service Date	LP	Not to exceed 880
Southern Star Note (3)	Expansion Capacity In-Service Date	LP	Not to exceed 880

NOTES:

(1) Information regarding Point(s) of Receipt and Point(s) of Delivery, including legal descriptions, measuring Parties, and interconnecting Parties, shall be posted on Transporter's Electronic Bulletin Board. Transporter shall update such information from time to time to include additions, deletions, or any other revisions deemed appropriate by Transporter.

(2) Each Point of Receipt Quantity may be increased by an amount equal to Transporter's Fuel Reimbursement percentage. Shipper shall be responsible for providing such Fuel Reimbursement at each Point of Receipt on a pro rata basis based on the quantities received on any Day at a Point of Receipt divided by the total quantity Delivered at all Point(s) of Delivery under this Transportation Service Agreement.

(3) Available subject to the ability of Cheyenne Plains to deliver additional volumes into Southern Star without incurring additional costs to meet CO2 specifications.

Exhibit "B"

Precedent Agreement
between
Cheyenne Plains Gas Pipeline Company
and _____ (Shipper)

Dated: _____

Primary Point(s) Of Receipt	Primary Point(s) of Delivery	Reservation Rate	Commodity Rate	Term of Rate	Fuel Lost and Unaccounted For Reimbursement	Surcharges
As Listed on Exhibit "A"	As Listed on Exhibit "A"	Maximum Recourse Rate (Note 4) or Negotitated Rate (Note 1)	Maximum Recourse Rate (Note 4) or Negotiated Rate (Note 1)	See Para. 9	(Note 2)	(Note 3)

Secondary Point(s) of Receipt	Secondary Points(s) of Delivery	Reservation Rate	Commodity Rate	Term of Rate	Fuel Reimbursement	Surcharges
		Maximum	Maximum			

All	All	Recourse	Recourse	See Para. 9	(Note 2)	(Note 3)
		Rate	Rate			
		(Note 4)	Note 4)			
		or	or			
		Negotiated	Negotiated			
		Rate	Rate			
		(Note 1)	(Note 1)			

NOTES:

- (1) Shipper shall pay negotiated reservation rates of \$_____ per month. (The monthly reservation charge is equivalent to a rate of \$0.____ per Dth per day on a 100% load factor basis.) Under the negotiated rates, there will be no commodity or usage charge, unless Transporter is required by the FERC to assess such a commodity charge, in which event the commodity charge shall be set at the minimum permissible level, and the reservation rate described above shall be reduced to a level that causes the combined commodity and reservation rates to equal a 100% load factor rate of the bid amount. Should the FERC or a court with jurisdiction issue a ruling that has the effect of prohibiting Transporter from collecting, or penalizing Transporter for collecting the rates and revenues provided for herein, then the parties agree to enter into a substitute lawful arrangement, such that the parties are placed in the same economic position as if Transporter had collected such rates.
- (2) Fuel, Lost and Unaccounted For Reimbursement shall be as stated on Transporter's Schedule of Surcharges and Fees in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties in writing.
- (3) Surcharges, if applicable: All applicable surcharges, unless otherwise specified, shall be the maximum surcharge rate as stated on the Statement of Rates sheet, as they may be changed from time to time, unless otherwise agreed to by the Parties in writing.
- (4) Unless otherwise agreed by the Parties in writing, the rates for service hereunder shall be Transporter's maximum rates for service under Rate Schedule FT or other superseding Rate Schedules, as such rates may be changed from time to time.

CHEYENNE PLAINS OPEN SEASON

OFFER SHEET

A. Shipper Name: _____

B. Term of service = _____ years (from the actual in-service date) (Cheyenne Plains anticipates that terms of at least 10 years will be necessary to support the project economics).

C. Bid MDQ: _____ Dth per Day (Note 1)

MDQ awarded (to be completed by Cheyenne Plains): _____

D. Primary Receipt/Delivery Point(s):

Primary Receipt Points (Note 2)	MDQ (Quantity in Dth)
-----	-----
_____	_____
_____	_____

	TOTAL
	TOTAL

Primary Delivery Points (Note 3)	MDQ (Quantity in Dth)
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E. Rates:
 (Check and Initial Next to One Box)
 Recourse Rate

____ Recourse Rate: Shipper shall pay maximum Tariff rates for transportation service from the Primary Point(s) of Receipt to the Primary Point(s) of Delivery described herein as such rate is established and adjusted by the FERC from time to time.

Negotiated Rate: (Note 4)

____ Negotiated Rate: Shipper shall pay negotiated reservation rates of \$_____per month.

F. Additional Alternative Bids:

This bid is an Additional Alternative Bid for capacity (equal to or in excess of the amount requested by Shipper in the initial bid) which is subject to the successful acquisition of upstream capacity on the proposed expansion of the Wyoming Interstate Company ("WIC") pipeline from the Piceance Basin at or near either Greasewood or Parachute in northwestern Colorado to the Cheyenne Hub. Shipper shall have until October 10, 2003 to decide whether to accept either the capacity awarded on the initial bid or on this additional alternative bid.

Yes ____
 No ____

NOTE:

1. Bid rates do not include Commodity Charges, ACA, FL&U, or other authorized surcharges, if any. Such charges are additional to the Bid Rate.
2. The Primary Point of Receipt may be the interconnects at or near the Cheyenne Hub in Section 5, Township 11N, Range 66W, Weld County, Colorado: WIC (including the WIC Medicine Bow Lateral).
3. Delivery points include ANR, Northern Natural Gas, NGPL, PEPL, Southern Star (see footnote (3) in the PA, Exhibit A), KGS, and Kinder Morgan.
4. Under the negotiated rate(s) there will be no commodity or usage charge, unless Transporter is required to assess such a commodity charge, in which event the commodity charge shall be set at the minimum permissible level and the reservation rate described above shall be reduced to a level that causes the combined commodity and reservation rates to equal the 100% load factor rate bid. Should the FERC or a court with jurisdiction issue a ruling that has the effect of prohibiting Transporter from collecting, or penalizing Transporter for collecting, the rates provided for herein, then the parties agree to enter into a substitute lawful arrangement, such that the parties are

placed in the same economic position as if Transporter had collected such rates.